



2006-2007

ANNUAL REPORT

OF THE

TENNESSEE EMERGENCY
COMMUNICATIONS BOARD

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Introduction

Pursuant to Tenn. Code Ann. §§ 7-86-108(a)(1)(B)¹ and 7-86-315,² the Tennessee Emergency Communications Board (“Board” or “TECB”) hereby proffers its annual report to the Governor, Speakers of the General Assembly and the Senate and House Finance, Ways and Means Committees. This annual report of the Board’s activities covers the period from July 1, 2006 through June 30, 2007.

¹ Tenn. Code Ann. § 7-86-108(a)(1)(B) states in pertinent part:

The board shall report annually to the finance, ways and means committees of the senate and the house of representatives on the status of statewide implementation of wireless enhanced 911 service and compliance with the federal communications commission order, the status and level of the emergency telephone service charge for CMRS [commercial mobile radio service subscribers] and users, and the status, level, and solvency of the 911 Emergency Communications Fund.

² Tenn. Code Ann. § 7-86-315 states:

The board shall report annually to the governor and the speakers of the general assembly on the activities of the board for the preceding year. The board shall receive and consider from any source whatsoever, whether private or governmental, suggestions for amendments to this chapter.

Statement of the Chairman

On behalf of the members of the Emergency Communications Board, I am pleased to present you with a report of the Board's major activities and accomplishments for the 2006-2007 fiscal year. Since our last report, the Board has provided considerable support to Tennessee's emergency communications districts ("ECDs") to assist with implementation, maintenance and/or operation of 911 service.

During fiscal year 2006-2007, the Board substantially expanded its funding for ECD operations by providing an additional \$14 million annually to the ECDs.³ The purpose of the new program is to provide additional funding to assist ECDs facing decreasing land line revenue and increasing costs for personnel, operations and technical improvements. The new funds, which are not intended to supplant contributions to ECDs or emergency communications centers from local governments, are subject to controls to assure the funds are expended exclusively in the operation of the ECDs.

The Board has also taken additional steps to assure that all ECDs possess equipment necessary for the efficient and uninterrupted provision of 911 service by offering financial assistance to purchase such essential equipment as back-up generators and uninterruptable power supplies. Board Policy No. 32 requires all 911 call centers operated by ECDs to obtain this equipment so 911 service can continue uninterrupted notwithstanding power outages. An initiative to assist ECDs in developing written plans to define how 911 calls will be rerouted in the event that network facilities are disrupted, equipment fails or evacuation is required is progressing.

In September 2006, the Board unanimously voted to proceed with a project to modernize the state's aging 911 infrastructure. The project, referred to as Next Generation 911 ("NG-911"), involves construction of an internet protocol platform that will improve 911 call delivery, enhance interoperability, and increase the ease of communication between ECDs, allowing immediate transfer of 911 calls, maps, photos, caller information and other data statewide. A scope of services has been developed and the TECB is working with staff from the state's Office of Information Resources to determine the extent to which the statewide network it is developing can serve the needs of NG-911. This important project will assure that Tennessee maintains its position at the forefront of 911 deployment into the future.

In closing, I wish to acknowledge the continued hard work, dedication and innovation of hundreds of E-911 professionals and telecommunications industry officials. Because of the efforts of so many, Tennessee remains a nationally recognized leader in wireless E-911 deployment.

Sincerely,

Randy Porter
Chairman

³ The \$14 million distribution was recommended by a committee consisting of representatives of ECDs, local governments, and other 911 technical experts reflective of a broad spectrum of geographic and demographic interests in Tennessee, including representatives of the counties and municipalities. The committee was formed upon the recommendation of the Tennessee Advisory Commission on Intergovernmental Relations ("TACIR"), which had been directed to study the issue of 911 funding by the General Assembly in 2004. The distribution is subject to the state's budget approval process.

Overview

The Emergency Communications Board is a self-funded, nine-member agency administratively attached to the Department of Commerce and Insurance,⁴ created “for the purpose of assisting emergency communications district (“ECD”) boards of directors in the area of management, operations, and accountability, and establishing emergency communications for all citizens of the state.”⁵ The Board is funded through a monthly emergency telephone service charge on users and subscribers of non-wireline communications services.⁶

By statute, the Board exercises financial and operational oversight over the state’s 100 ECDs which are the statutorily created municipalities that administer or facilitate local E-911 call taking and/or dispatching services across the state.⁷ The Board establishes technical, operational and dispatcher training standards, and administers grants and reimbursement programs which distribute funds to ECDs.⁸ It also provides advisory technical assistance to ECDs upon request.⁹ Its enabling legislation authorizes the Board, upon request, to increase the emergency telephone service charge on landlines in ECDs to the statutory maximum and to provide supervision and evaluation to ECDs that meet the statutory criteria for financial distress.¹⁰ In addition, the Board may review decisions of the boards of directors of ECDs upon request by city or county governing bodies.¹¹ To assist in fulfilling its statutory mandate to establish a statewide emergency communications system, the Board may provide reimbursement to wireless carriers and others to cover “expenditures to implement, maintain, operate or enhance statewide wireless enhanced 911 service.”¹² The Board currently administers such a reimbursement program for commercial mobile radio service providers (“wireless carriers”) and others.

The Board works on many fronts to facilitate the technical, financial and operational advancement of the state’s ECDs. A major focus has been to implement and maintain wireless Enhanced 911 (“E-911”) for the state, as set forth by the Federal Communications Commission (“FCC”) in orders and regulations it has issued on 911-related matters since 1994. Tennessee was the third state in the nation to fully deploy the equipment and technology needed to automatically locate 911 calls from properly equipped cellphones and has received national recognition for its leadership in 911 related matters.

In September 2006, the Board launched a project to modernize the state’s aging 911 infrastructure. The project, referred to as Next Generation 911 (“NG-911”), involves construction of an internet protocol platform that will improve 911 call delivery, enhance interoperability, and increase the ease of communication between ECDs, allowing immediate transfer of 911 calls, maps, photos, caller information and other data statewide.

⁴ See Tenn. Code Ann. §§ 7-86-302, 7-86-303(c) (The Board is funded by a service charge on users and subscribers of non-wireline service). Eight of the nine Board members are appointed by the Governor for fixed terms. The ninth member is the designee of the Office of the Comptroller of the Treasury. The Board is served by a staff of eight.

⁵ Tenn. Code Ann. § 7-86-302(a).

⁶ Tenn. Code Ann. §§ 7-86-108(a)(1)(B), 7-86-303(d).

⁷ See Tenn. Code Ann. § 7-86-106; Tenn. Code Ann. § 7-86-302, 7-86-306.

⁸ See Tenn. Code Ann. §§ 7-86-205, 7-86-306(a)(9) through (11).

⁹ Tenn. Code Ann. § 7-86-306(a)(7).

¹⁰ Tenn. Code Ann. § 7-86-306(a)(12); 7-86-304(d).

¹¹ Tenn. Code Ann. § 7-86-312.

¹² Tenn. Code Ann. § 7-86-303(d)(2).

Tennessee Emergency Communications Board

Members*

Randy Porter

Chairman

Director, Putnam Co. Emergency
Services
ECD Nominee

Ike Lowry

Vice Chairman

Director, Sullivan Co. ECD
ECD Nominee

The Honorable Tom Beehan

Vice Mayor, City of Oak Ridge
TML Nominee

Freddie Rich

Director, Maury Co. ECD
ECD Nominee

Charles Bilbrey

Asst. Director Management Services,
Comptroller of the Treasury
Designee of the Comptroller

Mike Taylor*

TCSA Nominee

Katrina Cobb

Director, Broadcast Operations, WLJT,
Martin
Public Citizen Appointment

Steve Smith

Director, Rutherford Co. ECD
ECD Nominee

Carolann Mason

Director, Fayette Co. ECD
ECD Nominee

STAFF

Lynn Questell

James Barnes

Randy Finchum

Rex Hollaway

Robert McLeod

Carolyn Reed

Monica Smith-Ashford

Vanessa Williams

Executive Director

Accounting Manager

Account Tech II

Director of E-911 Technical Service

Director of Audit

General Counsel

Director of Government & External Affairs

Executive Assistant

*Mr. Taylor resigned in September, 2007. In November, the Governor appointed the Honorable James Sneed to serve out that term.

BOARD ACTIVITIES AND OUTREACH EFFORTS:

Status of Statewide Implementation of Wireless E-911 Service and VoIP

All public safety answering points (“PSAPs”) affiliated with Tennessee’s 100 emergency communications districts (“ECDs”) are E-911 Phase II ready, meaning that each possesses the equipment and technology to automatically plot the location of 911 calls from properly equipped non-wireline devices such as cell phones. Tennessee was the third state in the nation to reach this milestone, in April 2005. These PSAPs are also equipped to receive 911 calls and location information from Voice Over Internet Protocol (“VoIP”) devices. Tennessee’s ECDs are in compliance with all applicable E-911 directives issued by the Federal Communications Commission.

Wireless Carrier Deployment Status Report

As of June 30, 2007, the following wireless carriers are offering Phase II service throughout their service areas in Tennessee: Advantage, Alltel, Cingular, ClearTalk, Cricket, Eloqui, which recently merged with US Cellular, Sprint/Nextel, T-Mobile, Triton, US Cellular, Verizon and Yorkville, doing business as West Kentucky Networks, Inc.

TECB Funding Programs, Reimbursements and Grants

The TECB distributes twenty-five percent (25%) of the revenue generated by the monthly service charge on users and subscribers of non-wireline telephone service to the ECDs, based on the proportion of the population of each district to that of the State. The funds are distributed every two months.¹³

During fiscal year 2006, the Board substantially expanded its funding for ECD operations. In October, the Board unanimously voted to provide an additional \$14 million annually to the ECDs.¹⁴ As part of this new program, the annual Rural Dispatcher Grant was eliminated. Under the \$14 million annual operations program, each district receives \$40,000 annually as an acknowledgement of the basic costs intrinsic to providing 911 service without regard to the size of the ECD. The remainder of the \$14 million (\$9.96 million) is divided among the districts based on seven (7) population groups. A set amount is allocated to each group based on the average audited cost ratios of each of the population groups, determined from an analysis of audited financial statements from the 2004-2005 fiscal year. In figuring this calculation, all personnel costs, including salaries and benefits, were excluded in order to assure more equal treatment between districts that dispatch and those that do not. Each ECD in each of the seven (7) population groups receives the same dollar amount. The population groups receive the following annual distributions, which may be used in the operation of the districts for all purposes permitted under the TECB Revenue Standards:

¹³ Tenn. Code Ann. § 7-86-303(d)(1).

¹⁴ The \$14 million distribution was recommended by a committee consisting of representatives of ECDs, local governments, and other 911 technical experts reflective of a broad spectrum of geographic and demographic interests in Tennessee, including representatives of the counties and municipalities. The committee was formed upon the recommendation of the Tennessee Advisory Commission on Intergovernmental Relations (“TACIR”), which had been directed to study the issue of 911 funding by the General Assembly in 2004.

<u>Populations (2005 estimates):</u>	<u>Annual distribution to each ECD (per population group):</u>
Under 15,000	\$ 72,215
15,000 - 29,999	\$ 86,169
30,000 - 49,999	\$104,081
50,000 - 74,999	\$120,041
75,000 - 99,999	\$176,619
100,000 - 199,999	\$234,923
over 300,000	\$918,619

This formula lessens the disproportionality inherent in a strictly population based distribution, which provides the larger districts with substantially more funding and provides comparatively little funding to the smaller, more rural districts. The formula also avoids the pitfalls of an equal distribution, which fails to reflect the cost differences related to populations served by the ECDs.

The Board also continues to offer ECDs prospective funding and reimbursements up to the following amounts:

- \$50,000 for Geographic Information System ("GIS") Mapping Systems
- \$40,000 for Controllers
- \$150,000 for Essential Equipment
- \$5,000 for Master Clocks
- \$150,000 to each ECD that Consolidates (to a maximum of 3 ECDs)
- \$1,000 to Train Dispatcher Trainers
- \$100,000 to Cover Uninsured Catastrophic Losses

The TECB administers the GIS Mapping Maintenance Grant program, which provides eligible ECDs with up to \$10,000 annually to assist with the installation and maintenance of GIS mapping systems. GIS mapping systems assist PSAPs in determining the precise location from which each 911 call originates. In addition, GIS mapping systems enable emergency personnel to dispatch emergency vehicles more efficiently and effectively to the scene of the emergency. Like all maps, to work effectively, GIS mapping systems must be updated and maintained for accuracy.

Uses of the Non-wireline Fund

The emergency telephone service charge on users and subscribers of non-wireline phone service is the sole revenue source for the TECB, which is charged with establishing emergency communications for all citizens of the state, and is a significant revenue source for the state's 100 ECDs. Twenty-five percent of all income the Board receives from the service charge is distributed directly to the ECDs by population; in addition, the Board offers many other funding programs to the ECDs to assure reliable 911 service. The service charge remains at \$1.00 per month per subscriber and user of any non-wireline service that connects a user dialing or entering the digits 911 to a PSAP, including wireless phone and IP-enabled services.

During the 2006-2007 fiscal year, the Board expended or distributed approximately \$34.6 million in financial support to ECDs for various funding programs including: \$12 million for the statutory 25% contribution; \$14 million for operational funding; \$2 million in grants; and

\$6.6 million in equipment reimbursements and payment of wireless trunking and Automatic Location Information ("ALI") charges. Approximately \$13 million was expended for cost recovery for carriers and others to implement, operate, maintain or enhance the state's 911 system and \$2 million was expended for administration. The total percentage of the TECB's available non-wireline revenue distributed to ECDs was 69%. During the 2006-2007 fiscal year, net revenues exceeded expenditures by approximately one percent.

The Board's budgeted expenditures of \$50.9 million for fiscal year 2007-2008 include the following: \$7.6 million for ECD reimbursements for equipment and 911 trunking and ALI costs; \$12 million for the 25% allocation to ECDs; \$14 million for ECD operations support; \$1 million for GIS Mapping Maintenance grants to ECDs; \$5.3 million for beginning phases of the Next Generation 911 project; \$2 million for Administration and contracted services; and \$9 million for Phase I and Phase II carrier cost recovery.

The Board is preparing for the financial challenges associated with modernizing Tennessee's 911 infrastructure through its conservative stewardship of the 911 fund. This is in response to the advent of new technologies capable of contacting 911, such as Voice over Internet Protocol. Much of the existing 911 infrastructure consists of antiquated 30 year old analog technology that was originally created by telephone companies for billing purposes and was not built to receive calls and data from the new and emerging communications technology; it is being asked to perform functions it was not designed to handle. The Board has positioned itself to address the construction of an internet protocol platform that will improve interoperability and increase the ease of communication between emergency communications districts, allowing the immediate transfer of 911 calls, maps, photos, caller location information and other data statewide. The Board projects non-recurring build out costs of approximately \$15 million and recurring operational costs of \$3,600,000 annually. The NG911 project was originally planned for implementation in FY 2006-2007, but the Board opted to explore whether the infrastructure planned for a statewide IP network being built as part of the TNII project under the auspices of the Office of Information Resources in the Department of Finance and Administration would be sufficiently redundant and robust for 911 purposes. Processing and evaluation of Requests for Proposals associated with the TNII project will delay the actual deployment of the NG911 project by at least a fiscal year.

New 911 Legislation

During the 2007 legislative session, the General Assembly enacted the following 911-related laws:

- Tenn. Code Ann. § 7-86-316 was amended to increase the penalty for using 911 for non-emergency calls to a Class A misdemeanor when (1) a single caller repeatedly makes false 911 calls; (2) a false 911 call causes delay in responding to an emergency; and (3) a false 911 call results in damage to person or property. The penalty for a Class A misdemeanor is not greater than 11 months, 29 days of incarceration and a fine not to exceed \$2500. All other false 911 calls continue to be Class C misdemeanors. The new amendment has received national attention.
- Tenn. Code Ann. § 7-86-308 was amended to expand the membership of the TECB's technical advisory committee beyond just the wireless industry.
- Tenn. Code Ann. § 7-86-105 was amended to change the requirements for appointment to the Shelby County ECD board of directors.

New TECB Policies

During fiscal year 2006-2007, the Board adopted a number of new policies. Among them are the following:¹⁵

During the September 28, 2006 meeting the Board amended TECB Policy No. 11 to provide that all increases to landline service charges approved by the TECB extend for three years from the date of approval unless otherwise stated. The Board again modified the policy during its April 19, 2007 meeting to provide that the Board will review the rates after each three-year term.

MODIFICATIONS TO SERVICE CHARGE INCREASES

Any rate increases granted by the Tennessee Emergency Communications Board ("the Board" or "TECB") pursuant to Tennessee Code Annotated §§7-86-304 and 7-86-306(a)(11) shall be subject to modification by the Board at any time. Such modifications may include, but are not limited to, imposition of an expiration date, reduction of the amount by which such rates were increased, and/or reversal of the rate increase. Each ECD that has received a rate increase from the TECB shall provide to the Board a TECB-defined report every three (3) years from the date the rate increase was approved.

After legislation imposing the emergency telephone service charge on all technologies capable of accessing 911 was enacted, the Board developed a policy to assist providers of Voice Over Internet Protocol ("VoIP") in assessing the charge in a business context in which the provider may not know the number of users and subscribers utilizing a particular VoIP account.

APPLICATION OF EMERGENCY TELEPHONE SERVICE CHARGE TO VoIP SERVICE

Effective July 1, 2006, all subscribers and users of voice over internet protocol ("VoIP") service are subject to the emergency telephone service charge.¹⁶ The Tennessee Emergency Communications Board ("TECB") understands that VoIP providers may be unable to determine the number of users utilizing VoIP service through a VoIP account, especially in the context of commercial accounts. For each VoIP account, the TECB interprets Tennessee Code Annotated § 7-86-108(a)(1)(B)(vi) as imposing the emergency telephone service charge on all circuits or capacity by which the account may simultaneously transmit a telephone call to a public safety answering point, which otherwise may be understood to be the account's concurrent call volume or the account's capacity for making simultaneous calls. One service charge should be assessed on each such circuit or capacity for each account.¹⁷

¹⁵ The Board's policies are included on its website at <http://www.state.tn.us/commerce/911/>.

¹⁶ 2006 Tenn. Pub. Acts 925.

¹⁷ As an illustration: if a VoIP provider sells service to a business account and configures the service such that the account may make a maximum of 100 outgoing calls simultaneously under optimum conditions, the account should be assessed the emergency telephone service charge for 100 "subscribers or users" regardless of the number of VoIP devices connected by the account on any given day (whether 20, 200, or any other number of devices).

During the October 31, 2006 meeting, the Board amended Policy No. 33 to require ECDs to adopt alternative call answering locations and procedures, in the event that their PSAP was not operational and to adopt a written operations continuity plan.

MINIMUM TECHNICAL OPERATING STANDARD OF CARE FOR E-911 SERVICE

Pursuant to Tenn. Code Ann. § 7-86-306(a)(8), all public safety answering points in Tennessee shall:

. . .

- 4) No later than 12 months from the adoption of this amendment, arrange with other PSAPs within the District or within a close proximity for 911 call answering in the event of a major equipment failure or PSAP evacuation.¹⁸ In cases where a PSAP is so large that another PSAP within close proximity cannot adequately provide call answering, then that PSAP should establish an alternate answering center or arrangement that ensures that 911 calls do not go unanswered. It is strongly recommended that ECDs develop partnerships with adjacent ECDs to avoid building backup PSAP facilities or mobile PSAP units that are unused the majority of the time.
- 5) Prepare and regularly test (at least annually) a PSAP Operations Continuity Plan that specifically provides procedures for on-duty personnel in the re-routing of 911 calls, switchover to backup systems, evacuation plans, temporary call answering plans, return to normal plans, and other plans that ensure that 911 calls do not go unanswered. (The TECB will provide, upon request, a model plan that can be customized for individual PSAPs.)

The Board amended policy No. 34 to clarify the financial support available to ECDs that consolidate with other ECDs.

FINANCIAL SUPPORT TO PROMOTE CONSOLIDATION OF ECDs

In order to effectuate the purposes of Tenn. Code Ann. § 7-86-105(b)(6), each emergency communications district (ECD) that consolidates with another, up to a maximum of three (3) ECDs, shall be eligible for financial assistance up to a maximum of \$150,000 each toward the cost of consolidation, to be determined on a case-by-case basis after a site visit and analysis by the Board or its designee, and the development in conjunction with the effected districts of a consolidation plan, including the projected costs associated with the project, subject to the Board's approval. The consolidation shall be memorialized in a written intergovernmental agreement consistent with Tenn. Code Ann. § 7-86-105(b)(6). The amount of financial support for consolidation of more than three (3) ECDs shall be determined on a case-by-case basis by the TECB.

¹⁸ Typically, alternate routing of 911 calls to an adjacent PSAP or mobile PSAP unit would be considered a short range plan with a projected duration of less than a week. This gives the PSAP and ECD managers time to implement more long range plans when re-occupancy of a PSAP will be delayed due to fire, tornado damage, or other significant event.

During the October 31, 2006 and April 19, 2007 meetings, the Board amended the procedures for ECDs to request continuation of previously-approved landline rate increases.

PROCEDURES FOR ECD RATE INCREASE REQUESTS AND REQUESTS FOR EXTENSION OF INCREASE

The following are procedures to be used by districts to apply to the Tennessee Emergency Communications Board (TECB) for initial increases to the emergency telephone service charge (also referred to below as “rates”):

. . .

15. Every three years following the TECB’s decision to increase an ECD’s landline rates, the ECD shall file with the TECB a report:
 1. Identifying current rates, date approved by TECB, and date increased revenue was first realized.
 2. Identifying the reasons for the rate increase as stated in original application and the subsequent applications to extend the increased rate.
 3. Describing the status of each reason listed in the various applications and how the rate increase was applied.
 4. Identifying reasons for continuing the current rate.
 5. Providing projected budgets for the next three years showing sources of revenue and projected expenditures with a net increase or decrease in fund balance for each year.
 6. Providing a current copy of any applicable interlocal agreements.
 7. Providing an updated financial statement.
16. TECB staff shall analyze each report, notify the TECB of its findings and make a written recommendation on inconsistencies or irregularities not resolvable by staff, to be placed on an agenda for the Board’s consideration.

During the April 19, 2007 meeting, the Board amended Policy No. 16 to clarify definitions related to ECD financial distress.

DURATION OF DESIGNATION AS FINANCIALLY DISTRESSED DISTRICT

Effective February 1, 2004, Emergency Communications Districts that have been determined to be “financially distressed districts” pursuant to Tenn. Code Ann. § 7-86-304(d) shall remain subject to the supervision and evaluation of the Tennessee Emergency Communications Board for a period of not less than two (2) consecutive years of positive cash flow. For this policy, a positive cash flow for the ECD is defined as having funds available in the ECD’s checking account and not being over thirty (30) days in arrears for any debt or obligation.

In April 2007 the Board also adopted a policy to provide assistance to ECDs that suffer catastrophic losses not covered by insurance.¹⁹

UNINSURED CATASTOPHIC LOSS ASSISTANCE

On January 26, 2006, the Tennessee Emergency Communications Board initiated a program making emergency communications districts ("ECD") with uninsured catastrophic losses eligible for financial assistance in an amount up to \$100,000. In order to expedite such assistance during an emergency, the Executive Director of the Tennessee Emergency Communications Board ("TECB") is hereby authorized to release such funds, subject to approval by the TECB chairman, if the following criteria have been met:

1. Release of the funds is necessary for the restoration or adequate provision of 911 service;
2. The funds shall be used only for items authorized by the 911 Revenue Standards;
3. The ECD Director or Chairperson provides:
 - A signed certification of immediate need;
 - A signed certification that if funds provided to the ECD are later reimbursed from insurance or other reimbursing agency, said funds shall be returned to the ECB;
 - A copy of vendor quotation(s) for the item(s) for which funding is sought.
4. The Director of E-911 Technical Services will conduct a site visit to verify use of the funds as soon as practicable.

Catastrophe is defined as a partial or complete loss of equipment or facilities resulting from fire, earthquake, tornado, lightning, hazardous waste, acts of God, or similar events deemed catastrophic by the TECB in accordance with this policy.

ECDs without liability insurance are not eligible for this assistance.

Revisions to Revenue Standards

During the September 2006 meeting, the Board revised its Revenue Standards to eliminate the requirement that ECDs possess one year's operating expenses before investing 911 funds in emergency notification systems (like Reverse 911).

The original version of the "911 Revenue Standards" required ECDs to have a minimum cash reserve of one year's operating expenses before investing in emergency notification systems, such as Reverse 911. This was the only technical system, permissible or required, to which the restriction applied. The standard was revised because these systems have proven to be a great resource tool to alert responders and the general public of imminent

¹⁹ The Board amended the policy during its August 30, 2007 meeting; the language included in this report includes the amendments.

danger such as tornadoes and hazardous spills and the original version imposed a fiscal burden that could discourage the purchase of the systems.

Paragraph 30 of the “Permissible Uses of 911 Revenue” in the “911 Revenue Standards” was revised as follows:

The following items may be expended by an Emergency Communications District (ECD) regardless of the source of revenue . . .

- 30. Capital costs for emergency notification systems (e.g., reverse 9-1-1, etc.) used to perform broadcasts of public warnings issued by various government agencies.** Emergency Communications Districts (ECDs) that are not financially distressed and have completed all necessary equipment upgrades and purchases for Phase I and II data retrieval may use their revenue for the purchase or enhancement of emergency notification systems. An ECD may also participate in federal grant programs to advance coverage of NOAA Weather Radio in unserved rural areas provided that any ECD funds used toward this effort are completely recovered through the grant.

Status of TECB Advisory Committees

The TECB Operations Advisory Committee continues to provide technical and operational recommendations to the Board. Its members include:

Mark Archer	Dir., Henry County ECD	(West , Tier III)
Roger Hager	Dir., Claiborne County ECD	(East, Tier IV)
RoxAnn Brown ²⁰	Dir., Davidson County ECD	(Middle, Tier I)
Bob Moore	Dir., Gibson County ECD	(West TN, Tier III)
Chris Masiongale	Dir., Overton/Pickett	(Middle, Tier IV)
Allen Muse	Cingular	(Middle)
Jamison Peeveyhouse	Dir., Weakley County ECD	(West TN, Tier III)
Jimmy Peoples	Dir., Hamblen County ECD	(East, Tier III)
Larry Potter	Dir., Morgan County ECD	(East, Tier V)
Buddy Shaffer	Dir., Sumner County ECD	(Middle, Tier III)

The TECB Funding Advisory Committee was dissolved after providing its recommendation regarding the new \$14 million annual operations funding program.

During its April 2007 meeting, the TECB voted to form a Policy Advisory Committee to study and advise on policy matters, particularly issues impacting both 911 and other governmental agencies and those arising during legislative sessions. Committee members were to reflect a balance of interests, locations and demographics, and include representatives of ECDs of various sizes and locations, local governments, and other 911 technical experts.²¹

²⁰ RoxAnn Brown served on the committee during the fiscal year, but subsequently resigned from her position as the Director of the Davidson County ECD and the committee.

²¹ Members were selected and approved during the August 2007 Board meeting.

Next Generation 911 Infrastructure Modernization Project

In April 2006, the Board authorized and directed Kimball & Associates to conduct a feasibility study to determine the need for a next generation network, the infrastructure resources available for such a network, and estimated costs for its implementation. This action came on the heels of a TACIR study that recommended a fresh look at new technology that could enhance 911 in the state of Tennessee. In September of 2006, the findings of the feasibility study were presented to the Board. The Board unanimously voted to proceed with the project and begin the procurement process.

In early 2007, multiple meetings were held in an effort to identify the stakeholders and opportunities for the NG-911 network. Listed below are the primary goals and objectives of this project:

- Improve public safety for citizens of and visitors to Tennessee;
- Equalize service across the state, increasing functionality and capabilities for all PSAPs;
- Improve call transfer functionality across jurisdictions, including LATA boundaries;
- Improve communications between PSAPs;
- Facilitate transfer of GIS data across jurisdictional boundaries;
- Prepare PSAPs for future 9-1-1 technologies (telematics, VoIP, ACN, etc.);
- Provide a cost effective means of PSAP backup and fail over (call rerouting);
- Improve reliability and redundancy in the 9-1-1 delivery network;
- Transition E9-1-1 related network costs from ECDs to the ECB;
- Facilitate a cooperative project initiative involving all stakeholders and other potential partners in Tennessee.

During the spring of 2007, TECB staff worked with Kimball & Associates to develop a scope of work and technical specifications for the project.

Tennessee's current statewide network, TNII (Tennessee Information Infrastructure), is being upgraded to provide more security, better reliability, more redundancy, and other enhancements. The TECB is working diligently with TNII staff to determine the extent this network can serve the needs of the NG-911 project.

The TECB is also participating in committees and other groups across the country to ensure Tennessee's NG-911 network follows nationwide standards that allow interoperability not only within the state but to all 911 centers and 911 devices across the country.

Tracking of Wireless Misroutes

During the 2006-2007 fiscal year, the Board has taken an active role in tracking and correcting misrouted wireless 911 calls. Misroutes are 911 calls that are routed to a PSAP that is not in the same county or a county adjacent to the caller, often due to programming errors by the carriers. Generally, calls sent to an adjacent county are due to tower placement, an issue that cannot be corrected at the present time, rather than misrouting. During the fiscal year, 7 misroutes were reported and were either corrected by the carriers involved or deemed to be acceptable due to the limited availability of towers required for triangulation to be effective.

Increases to the Emergency Telephone Service Charge on Landlines

Between July 1, 2006 and June 30, 2007, only one of the state's 100 ECDs, Cannon County ECD, applied for an increase to the emergency telephone service charge imposed in its service area. The Board approved the application during its April 2007 meeting.

As of July 1, 2007:

- 34 of the 100 ECDs have landline rates at the statutory maximum of \$1.50 for residential lines and \$3.00 for business lines (requiring a referendum or request to TECB)
- 52 of the 100 districts have rates that are at or below the maximum amount that districts can set for themselves of \$0.65 for residential lines and \$2.00 for business lines:
 - 7 of the 100 districts have set their landline rates for residential and/or business lines below the maximum districts can set for themselves (below \$0.65 for landlines and \$2.00 for business lines)
 - 45 of the 100 ECDs have set their rates at the maximum rate districts can set for themselves (at \$0.65 for landlines and \$2.00 for business lines)
- 14 of the 100 ECDs have rates above \$0.65/\$2.00 and below \$1.50/\$3.00.

The average monthly residential service charge in Tennessee is \$0.98. As of February 2006, the national average for the 40 states that have similar wireline fee structures was \$0.81.

Financially Distressed Districts

The Board's statutory responsibilities include monitoring the financial health of the ECDs. Districts that are deemed to meet the statutory definition of financial distress are subject to the Board's supervision and evaluation. Tenn. Code Ann. § 7-86-304 originally defined financial distress through specified evidence revealed in annual audits. In 2004, that section was amended at the Board's request, to provide alternative criteria that did not require waiting for the completion of annual audits.

A district is deemed financially distressed if its annual audits show that the district:

- Has a negative change in net assets for a period of three (3) consecutive years;
- Has deficit total net assets; or
- Is in default on any indebtedness.

Notwithstanding annual audits, the Board may determine that a district is financially distressed if it:

- Is the subject of an IRS lien; or

- The TECB determines that the district cannot satisfy its financial obligations to the extent that continued operation is at risk; or
- The district has defaulted on indebtedness due to insufficient funds, the default is not cured within 60 days and the TECB determines that the district cannot satisfy its financial obligations to the extent that continued operation is at risk.

The consequences of being deemed financially distressed include:

- The district is subject to the supervision and evaluation of the TECB.
- The TECB may prescribe the structure of the landline rates of the district up to the statutory maximum.
- Under Board Policy No. 16, financially distressed districts are to remain subject to the supervision and evaluation of the Board for a period of not less than two consecutive years of positive cash flow.

Ten districts have been determined to be financially distressed since the Board was created in 1998:

- (1) Campbell County ECD, a Tier III²² district, was deemed distressed in 2/01; rates raised to \$1.15/\$2.50 in 4/01; the city of LaFollette created a separate ECD from Campbell County in 1996 which reduced the landline income substantially; rates raised to \$1.50/\$3.00 in 6/06; 2 consecutive years of positive cash flow.²³
- (2) Pickett County ECD, a Tier V district, was deemed distressed in 12/00; it merged with Overton County ECD in 10/01; rates raised to \$1.50 on residential lines, \$3.00 on business lines in 10/01; 2 consecutive years of positive cash flow after merging with Overton County ECD.
- (3) Hawkins County ECD, a Tier III district, was deemed distressed in 2/01; rates raised to \$0.90/\$2.25 in 4/01; 2 consecutive years of positive cash flow.
- (4) Cocke County ECD, a Tier III district, was deemed distressed in 4/01; rates raised to \$1.15/\$2.50 in 6/01; 2 consecutive years of positive cash flow.
- (5) McNairy County ECD, a Tier IV district, was deemed distressed in 4/01; rates raised to \$1.15/\$2.50 in 6/01; 2 years positive cash flow.
- (6) Morgan County ECD, a Tier V district, was deemed distressed in 4/02; rates raised to \$1.50/\$3.00 in 4/02; 2 years positive cash flow.

²² The TECB developed the Tier methodology as a means of ranking ECDs by the population they serve based on data from the 2000 U.S. Census and landline and wireless fee revenues. The Tiers rank from Tier I, which includes the four largest ECDs to Tier V, which includes the 33 ECDs with the lowest population and incomes from wireline and wireless sources.

²³ Campbell County ECD has satisfied the criteria for being released from its financially distressed status, but that status has not been officially recognized during a Board meeting.

- (7) Giles County ECD, a Tier IV district, was deemed distressed in 7/04; rates raised to \$1.50/\$3.00; 2 consecutive years positive cash flow.
- (8) Hancock County ECD, a Tier V district, was deemed distressed in 4/06; rates raised to \$1.50/\$3.00.
- (9) Polk County ECD, a Tier V district, was deemed distressed in 4/06; 2 consecutive years positive cash flow.
- (10) Jackson County ECD, a Tier V district, was deemed distressed in 4/07; rates set at \$1.50/\$3.00 in 6/01 by application.

Of the 10 ECDs that have been deemed financially distressed, Campbell,²⁴ Hancock and Jackson remain so.

During the April 2007 Board meeting, Jackson County ECD was deemed financially distressed. Its financial difficulties arose primarily from a 2002 loan agreement for over \$600,000, with a balloon payment. The loan was to purchase equipment. The ECD also experienced management problems in 2004 requiring Board involvement and financial assistance.

Polk County ECD was released from its financially distressed status during the February 2007 meeting after maintaining 2 consecutive years of positive cash flow.

²⁴ Giles County ECD was officially released from its financially distressed status during the October 2007 Board meeting.

Appendix

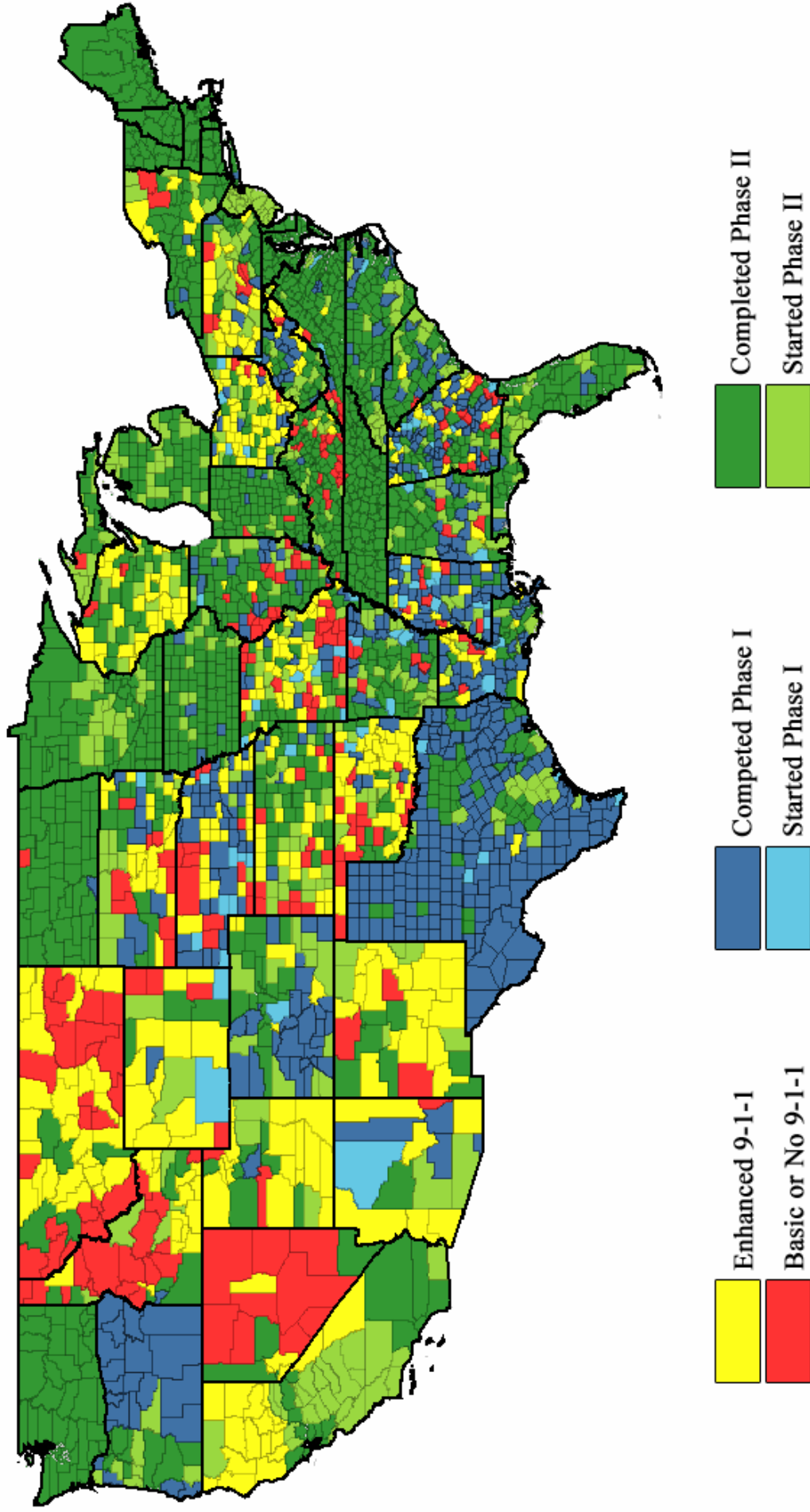
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Map of Phase I and II Deployment



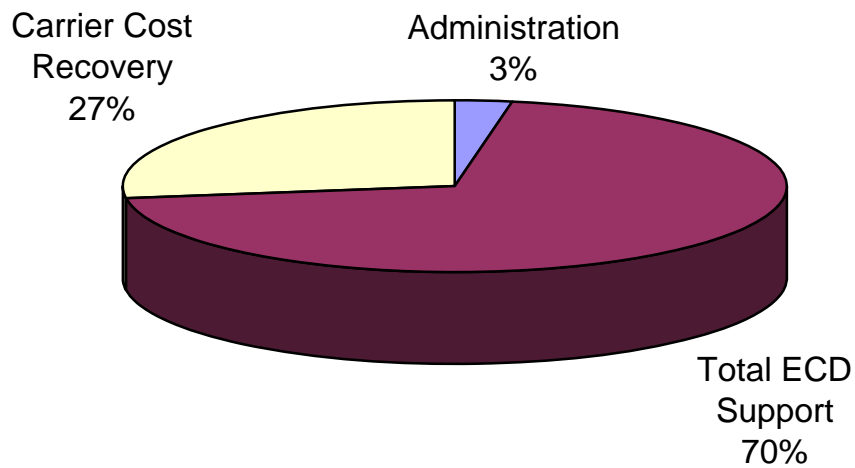
United States Wireless E9-1-1 Deployment

March 6, 2007



**TENNESSEE EMERGENCY COMMUNICATIONS BOARD
DISTRIBUTION OF NON-WIRELINE FINANCIAL SUPPORT**

Non-Wireline Financial Support



Expenditures

Administration			\$	1,400,090
ECD Support				
25% distribution of Wireless	\$	11,949,835		
Reimbursements Total	\$	6,827,124		
Operational Funding Total	\$	14,000,019		
Grants Total	\$	2,235,159		
Total ECD Support			\$	35,012,137
Carrier Cost Recovery			\$	13,628,921
Total Expenditures			<u>\$</u>	<u>50,041,148</u>

TENNESSEE EMERGENCY COMMUNICATIONS BOARD						
AMOUNT OF 25% DISTRIBUTION OF WIRELESS FUNDS FOR 5 YEARS						
District	Fiscal Yr. 2003	Fiscal Yr. 2004 ¹	Fiscal Yr. 2005	Fiscal Yr. 2006	Fiscal Yr. 2007	Total
Anderson	42,652.62	61,481.53	58,071.63	65,762.27	72,535.63	249,215.09
Bedford	46,422.11	66,915.08	63,203.79	71,574.10	78,946.06	264,801.37
Benton	20,424.69	29,441.13	27,808.26	31,491.02	34,734.53	118,566.60
Bledsoe	15,274.36	22,017.21	20,796.09	23,550.20	25,975.79	86,561.52
Blount	130,700.99	188,398.67	177,949.62	201,516.14	222,271.83	746,128.81
Bradley	108,644.75	156,605.75	147,920.04	167,509.61	184,762.69	623,998.93
Brentwood	28,956.68	41,739.58	39,424.58	44,645.74	49,244.17	203,439.90
Bristol	30,656.17	44,189.29	41,738.45	47,266.03	52,134.33	181,372.78
Campbell	39,433.98	56,842.01	53,689.43	60,799.71	67,061.94	228,071.70
Cannon	15,841.26	22,834.37	21,567.93	24,424.24	26,939.88	90,512.15
Carroll	36,404.30	52,474.87	49,564.53	56,128.52	61,909.63	213,817.45
Carter	70,081.50	101,018.85	95,416.11	108,052.42	119,181.53	409,161.02
Cheatham	44,354.56	63,934.79	60,388.83	68,386.32	75,429.98	249,787.01
Chester	19,193.29	27,666.14	26,131.73	29,592.45	32,640.39	109,895.15
Claiborne	36,882.27	53,163.88	50,215.29	56,865.48	62,722.50	213,703.82
Clay	9,851.08	14,199.82	13,412.26	15,188.49	16,752.89	57,511.01
Clinton	11,620.98	16,751.02	15,821.98	17,917.32	19,762.77	69,422.61
Cocke	41,455.80	59,756.38	56,442.18	63,917.00	70,500.32	239,805.46
Coffee	59,301.62	85,480.22	80,739.29	91,431.89	100,849.16	340,773.72
Crockett	17,948.32	25,871.60	24,436.71	27,672.94	30,523.17	105,253.03
Cumberland	57,804.69	83,322.49	78,701.21	89,123.90	98,303.47	324,467.43
Davidson	703,866.95	1,014,587.67	958,316.24	1,085,229.54	1,197,005.55	4,098,493.96
Decatur	14,488.83	20,884.90	19,726.60	22,339.06	24,639.94	84,294.84
DeKalb	21,518.98	31,018.51	29,298.14	33,178.19	36,595.46	123,294.85
Dickson	53,301.55	76,831.44	72,570.18	82,180.92	90,645.35	304,283.94
Dyer	46,042.94	66,368.50	62,687.54	70,989.48	78,301.25	270,521.95
Fayette	35,578.03	51,283.87	48,439.53	54,854.57	60,504.46	207,257.92
Fentress	20,533.38	29,597.80	27,956.25	31,658.58	34,919.34	119,172.81
Franklin	48,502.00	69,913.13	66,035.57	74,780.90	82,483.16	281,625.19
Gibson	59,472.07	85,725.93	80,971.34	77,794.68	101,139.01	352,092.89
Giles	36,369.70	52,425.04	49,517.43	56,075.22	61,850.83	210,678.85
Grainger	25,308.13	43,375.59	34,739.73	35,280.31	43,392.42	177,725.39
Greene	77,698.30	111,998.08	105,786.39	119,796.07	132,134.79	451,564.04
Grundy	17,701.32	25,515.52	24,100.39	27,292.08	30,103.10	103,939.47
Hamblen	71,793.34	103,486.37	97,746.76	110,691.73	122,092.73	415,318.78
Hamilton	380,279.42	548,153.04	517,751.19	586,318.85	646,708.27	2,230,386.69
Hancock	8,381.32	12,081.25	11,411.21	12,922.41	14,253.40	49,906.68
Hardeman	34,712.21	50,035.87	47,260.75	53,519.66	59,032.05	199,430.88
Hardin	31,591.15	45,536.99	43,011.41	48,707.56	53,724.32	183,228.04
Hawkins	66,155.15	95,359.20	90,070.38	101,998.72	112,504.34	379,424.46
Haywood	24,451.09	35,244.99	33,290.20	37,698.94	41,581.84	145,219.69
Henderson	31,521.99	45,437.29	42,917.20	48,600.92	53,606.70	182,333.60
Henry	38,429.84	55,394.62	52,322.31	59,251.54	65,354.31	224,024.02
Hickman	27,536.35	39,692.23	37,490.78	42,455.82	46,828.69	154,913.73
Houston	9,989.41	14,399.22	13,600.60	15,401.78	16,988.12	57,778.12
Humphreys	22,143.93	31,919.34	30,149.03	34,141.77	37,658.28	128,584.82
Jackson	13,566.23	19,555.02	18,470.45	20,916.57	23,070.93	78,073.23
Jefferson	54,707.09	78,857.45	74,483.82	84,347.98	93,035.62	307,317.71
Johnson	21,612.84	31,153.79	29,425.92	33,322.90	36,755.08	122,624.55
Kingsport	55,461.74	79,945.20	75,511.27	85,511.51	94,318.96	324,775.99
Knox	471,844.08	680,138.75	642,416.65	727,494.21	802,424.37	2,736,271.53

1. Fiscal year 2004 includes figures for thirteen months because Staff reformatted to a fiscal distribution period. The extra month substantially changed the annual amount.

TENNESSEE EMERGENCY COMMUNICATIONS BOARD						
AMOUNT OF 25% DISTRIBUTION OF WIRELESS FUNDS FOR 5 YEARS						
District	Fiscal Yr. 2003	Fiscal Yr. 2004¹	Fiscal Yr. 2005	Fiscal Yr. 2006	Fiscal Yr. 2007	Total
Lafollette	9,789.33	14,110.80	13,328.19	15,093.27	16,647.85	57,468.74
Lake	9,823.92	14,160.64	13,375.26	15,146.60	16,706.67	67,792.57
Lauderdale	33,472.18	48,248.41	45,572.45	51,607.77	56,923.24	193,559.54
Lawrence	49,312.21	71,081.01	67,138.68	76,030.13	83,861.03	286,326.16
Lewis	14,039.27	20,236.87	19,114.49	21,645.92	23,875.38	82,394.99
Lincoln	38,707.73	65,801.19	52,700.67	59,680.00	65,826.89	236,208.29
Loudon	48,274.76	69,585.55	65,726.17	74,430.51	82,096.67	274,748.00
Macon	25,178.56	36,293.59	34,280.63	38,820.58	42,818.99	142,907.17
Madison	113,427.00	163,499.14	154,431.08	174,882.95	192,895.49	653,188.79
Marion	34,305.88	49,450.14	46,707.51	52,893.16	58,341.04	199,697.84
Marshall	33,059.67	47,653.79	45,010.79	50,971.75	56,221.71	188,380.38
Maury	85,836.31	123,728.60	116,866.31	132,343.35	145,974.39	487,243.40
McMinn	60,537.95	87,262.32	82,422.54	93,338.05	102,951.65	350,057.72
McNairy	30,448.70	43,890.21	41,455.94	46,946.10	51,781.43	177,844.90
Meigs	13,692.22	19,736.62	18,641.97	21,110.80	23,285.15	76,529.13
Monroe	48,120.36	69,363.00	65,515.97	74,192.48	81,834.14	273,176.92
Montgomery	166,450.68	239,929.99	226,622.92	256,635.42	283,068.25	958,667.09
Moore	7,089.42	10,219.04	9,652.26	10,930.55	12,056.37	40,568.49
Morgan	24,401.68	35,173.76	33,222.94	37,622.79	41,497.82	141,401.20
Oak Ridge	33,825.42	48,757.59	46,053.39	52,152.40	57,523.98	201,603.14
Obion	40,078.67	57,771.34	54,567.21	61,793.74	68,158.35	237,820.00
Overton - Pickett	30,955.06	44,620.13	42,145.39	47,726.86	52,642.61	179,776.03
Perry	9,424.97	13,585.62	12,832.13	14,531.51	16,028.23	54,717.72
Polk	19,823.19	28,574.12	26,989.35	30,563.63	33,711.61	114,179.48
Putnam	76,964.67	110,940.56	104,787.55	118,664.93	130,887.12	440,624.95
Rhea	35,076.57	50,561.06	47,756.82	54,081.41	59,651.68	202,946.50
Roane	64,113.56	92,416.34	87,290.70	98,850.93	109,032.35	374,499.47
Robertson	67,229.68	96,908.08	91,533.32	103,655.45	114,331.70	379,206.96
Rutherford	224,814.90	324,058.97	306,085.89	346,621.96	382,323.19	1,281,209.98
Scott	26,093.75	37,612.79	35,526.70	40,231.63	44,375.39	150,968.32
Sequatchie	14,042.98	20,242.24	19,119.55	21,651.62	23,881.69	79,538.59
Sevier	87,901.38	126,705.29	119,677.92	135,527.28	149,486.29	490,416.20
Shelby	1,108,459.11	1,597,786.27	1,509,169.27	1,709,034.05	1,885,060.41	6,491,227.18
Smith	21,875.94	31,533.01	29,784.11	33,728.53	37,202.49	124,469.14
Stewart	15,278.07	22,022.56	20,801.12	23,555.90	25,982.08	86,259.32
Sullivan	102,910.20	148,339.72	140,112.45	158,668.05	175,010.49	605,318.88
Sumner	161,116.31	232,240.78	219,360.18	248,410.85	273,996.58	915,233.24
Tipton	63,324.31	91,278.72	86,216.20	97,634.10	107,690.21	354,635.24
Trousdale	8,965.52	12,923.32	12,206.56	13,823.13	15,246.88	51,219.65
Unicoi	21,820.34	31,452.88	29,708.45	33,642.83	37,107.97	128,256.35
Union	21,994.50	31,703.91	29,945.55	33,911.33	37,404.13	124,260.45
Van Buren	6,802.88	9,806.00	9,262.13	10,488.75	11,569.07	39,459.47
Warren	47,274.33	68,143.48	64,364.10	72,888.06	80,395.35	273,061.57
Washington	132,399.22	190,846.60	180,261.80	204,134.55	225,159.90	764,610.37
Wayne	20,801.41	29,984.14	28,321.15	32,071.81	35,375.14	119,173.18
Weakley	43,098.51	62,124.22	58,678.66	66,449.71	73,293.84	252,124.62
White	28,533.07	41,128.93	38,847.82	43,992.59	48,523.72	165,107.85
Williamson	127,452.70	183,716.44	173,527.08	196,507.94	216,747.75	713,514.57
Wilson	109,687.14	158,108.33	149,339.26	169,116.83	186,535.42	636,868.53
Total	\$7,026,571.57	\$10,145,339.39	\$9,566,973.78	\$10,816,002.80	\$11,949,835.11	\$40,751,293.45

1. Fiscal year 2004 includes figures for thirteen months because Staff reformatted to a fiscal distribution period. The extra month substantially changed the annual amount.

TENNESSEE EMERGENCY COMMUNICATIONS BOARD											
GRANTS AND REIMBURSEMENTS TO ECDs											
Emergency Communications District	2007 Total	GIS Maint. Grant	Rural Dispatcher Grant	GIS Mapping Startup	Net Clock	Controller	Dispatcher Trainer Training	\$150,000 Reimb.	Catastrophic	Misc.	Operational Funding
Lake	154,714.00		30,000.00	47,545.00	4,954.00						72,215
Lauderdale	192,497.96		30,000.00	49,094.00				27,234.96			86,169
Lawrence	301,763.08	10,000.00	30,000.00			40,000.00		112,402.08		5,280.00	104,081
Lewis	192,253.00		30,000.00					90,038.00			72,215
Lincoln	134,081.00		30,000.00								104,081
Loudon	265,081.00	10,000.00					1,000.00	150,000.00			104,081
Macon	275,402.00	10,000.00	30,000.00		5,000.00			144,233.00			86,169
Madison	376,619.00	10,000.00				40,000.00		150,000.00			176,619
Marion	174,825.77			50,000.00		38,656.77					86,169
Marshall	116,169.00		30,000.00								86,169
Maury	176,619.00										176,619
McMinn	120,041.00										120,041
McNairy	223,487.48	10,000.00	14,877.00		4,998.00			107,443.48			86,169
Meigs	122,984.00	10,000.00	19,891.00					20,878.00			72,215
Monroe	244,591.49	10,000.00	30,000.00					100,510.49			104,081
Montgomery	394,923.00	10,000.00						150,000.00			234,923
Moore	112,215.00	10,000.00	30,000.00								72,215
Morgan	126,169.00	10,000.00	30,000.00								86,169
Oak Ridge	86,169.00										86,169
Obion	178,851.00	10,000.00	30,000.00					34,770.00			104,081
Overton-Pickett	507,166.69	40,000.00	29,754.00				1,696.00	275,604.69		1,728.00	158,384
Perry	198,061.20	20,000.00						100,093.40		5,752.80	72,215
Polk	86,169.00										86,169
Putnam	206,208.69	10,000.00				40,000.00	1,000.00	35,167.69			120,041
Rhea	157,081.50	10,000.00	30,000.00					30,912.50			86,169
Roane	144,592.32	10,000.00						14,551.32			120,041
Robertson	120,041.00										120,041
Rutherford	254,923.00	20,000.00									234,923
Scott	131,603.80	10,000.00	30,000.00					150,000.00		5,434.80	86,169
Sequatchie	229,695.00		7,480.00								72,215
Sevier	214,352.00	10,000.00						27,733.00			176,619
Shelby	918,619.00										918,619
Smith	116,169.00		30,000.00								86,169
Stewart	112,215.00	10,000.00	30,000.00								72,215
Sullivan	176,619.00										176,619
Sumner	369,281.00	10,000.00						124,358.00			234,923
Tipton	285,041.00	10,000.00			5,000.00			150,000.00			120,041
Trousdale	72,215.00										72,215
Union	221,955.00	10,000.00	14,877.00					110,909.00			86,169
Union	133,715.00	10,000.00	30,000.00					7,546.00			86,169
Van Buren	132,897.00	10,000.00	14,877.00					35,805.00			72,215
Warren	292,057.00					40,000.00		147,976.00			104,081
Washington	363,672.31	10,000.00						118,749.31			234,923
Wayne	99,973.00	10,000.00								3,804.00	86,169
Weakley	302,326.02	10,000.00	30,000.00					150,000.00		8,245.02	104,081
White	116,060.00	10,000.00	19,891.00								86,169
Williamson	249,969.00	10,000.00		5,046.00							234,923
Wilson	281,810.00	10,000.00						36,887.00			234,923
Totals	\$23,062,301.82	\$770,000.00	\$1,465,159.00	\$350,458.00	\$84,228.50	\$798,656.77	\$6,623.00	\$5,525,356.97	\$0.00	\$61,800.58	\$14,000,019
Number of ECDs Participating		70	59	8	17	20	7	64	0	13	100
Grants Total		\$2,235,159				Reimbursements Total	\$6,827,124		Operational Funding Total		\$14,000,019

TENNESSEE EMERGENCY COMMUNICATIONS BOARD			
EXPENDITURES BY TECB			
	Actual	Actual	Actual
	June 30 YTD	June 30 YTD	June 30 YTD
	FY 2005	FY 2006	FY 2007
Salaries & Wages (010)	275,165	347,311	443,367
Longevity (012)		9,000	10,800
Overtime (014)		-	-
Employee Benefits (020)	101,958	127,598	165,865
Payroll Expenditures	377,123	483,909	620,032
Travel (03)	18,848	27,722	23,979
Printing & Duplicating (04)	7,901	3,096	6,050
Utilities & Fuel (05)		-	-
Communications (06)	10,404	3,070	2,220
Maintenance & Repairs (07)	2,243	-	-
Prof. Svc. & Dues (08)	283,928	233,946	297,057
Supplies & Materials (09)	9,144	17,469	30,766
Rentals & Insurance (10)	45,142	43,202	41,802
Motor Vehicle Ops. (11)		-	-
Awards & Indemnities (12)	895	348	242
Grants & Subsidies (13)	54,263,892	24,225,105	48,641,058
Unclassified (14)	400	800	1,200
Stores for Resale (15)		-	-
Equipment (16)		-	-
Land (17)		-	-
Buildings (18)		-	-
Discounts Lost (19)		-	-
Highway Construction (20)		-	-
State Prof. Svcs. (25)	961,155	836,374	376,743
Other Expenditures	55,603,952	25,391,132	49,421,116
TOTAL EXPENDITURES	55,981,075	25,875,041	50,041,148

Tennessee Emergency Communications Board
Landline Rates by ECD
As of June 30, 2007

Emergency Communications District	Residential Rate	Business Rate	Emergency Communications District	Residential Rate	Business Rate
Anderson	\$0.65	\$2.00	Lake	\$0.65	\$2.00
Clinton City	\$0.65	\$2.00	Lauderdale	\$1.25	\$2.25
Oak Ridge City	\$1.50	\$3.00	Lawrence	\$1.50	\$3.00
Bedford	\$1.50	\$3.00	Lewis	\$0.65	\$2.00
Benton	\$0.65	\$2.00	Lincoln	\$0.65	\$2.00
Bledsoe	\$1.50	\$3.00	Loudon	\$0.65	\$2.00
Blount	\$1.10	\$2.45	Macon	\$0.65	\$2.00
Bradley	\$1.50	\$3.00	Madison	\$0.45	\$1.64
Campbell	\$1.50	\$3.00	Marion	\$0.65	\$2.00
LaFollette City	\$1.50	\$3.00	Marshall	\$1.50	\$3.00
Cannon	\$1.50	\$3.00	Maury	\$1.00	\$2.35
Carroll	\$0.65	\$2.00	McMinn	\$0.65	\$2.00
Carter	\$1.50	\$3.00	McNairy	\$1.15	\$2.50
Cheatham	\$1.15	\$2.50	Meigs	\$1.50	\$3.00
Chester	\$0.65	\$2.00	Monroe	\$0.65	\$2.00
Claiborne	\$1.50	\$3.00	Montgomery	\$1.50	\$3.00
Clay	\$0.65	\$2.00	Moore	\$0.65	\$2.00
Cocke	\$1.15	\$2.50	Morgan	\$1.50	\$3.00
Coffee	\$0.55	\$1.75	Obion	\$0.65	\$2.00
Crockett	\$0.65	\$2.00	Overton-Pickett	\$1.50	\$3.00
Cumberland	\$1.40	\$2.75	Perry	\$1.50	\$3.00
Davidson	\$0.65	\$2.00	Polk	\$0.65	\$2.00
Decatur	\$0.65	\$2.00	Putnam	\$0.65	\$1.66
DeKalb	\$0.65	\$2.00	Rhea	\$1.50	\$3.00
Dickson	\$0.55	\$1.65	Roane	\$1.50	\$3.00
Dyer	\$0.55	\$1.67	Robertson	\$1.50	\$3.00
Fayette	\$0.65	\$1.75	Rutherford	\$0.50	\$1.52
Fentress	\$0.65	\$2.00	Scott	\$0.65	\$2.00
Franklin	\$0.65	\$2.00	Sequatchie	\$1.50	\$3.00
Gibson	\$1.50	\$3.00	Sevier	\$0.55	\$1.67
Giles	\$1.50	\$3.00	Shelby	\$0.65	\$2.00
Grainger	\$1.50	\$3.00	Smith	\$0.65	\$2.00
Greene	\$0.65	\$1.50	Stewart	\$1.00	\$2.50
Grundy	\$0.65	\$2.00	Sullivan	\$1.50	\$3.00
Hamblen	\$1.25	\$2.25	Bristol City	\$0.65	\$2.00
Hamilton	\$1.50	\$3.00	Kingsport City	\$0.65	\$1.65
Hancock	\$1.50	\$3.00	Sumner	\$0.55	\$1.00
Hardeman	\$0.65	\$2.00	Tipton	\$1.50	\$3.00
Hardin	\$0.60	\$1.50	Trousdale	\$0.65	\$2.00
Hawkins	\$0.90	\$2.25	Unicoi	\$1.50	\$3.00
Haywood	\$0.65	\$2.00	Union	\$1.50	\$3.00
Henderson	\$0.65	\$2.00	Van Buren	\$0.65	\$2.00
Henry	\$0.65	\$2.00	Warren	\$1.00	\$3.00
Hickman	\$0.65	\$2.00	Washington	\$1.10	\$2.45
Houston	\$1.50	\$3.00	Wayne	\$1.00	\$2.50
Humphreys	\$1.50	\$3.00	Weakley	\$0.65	\$2.00
Jackson	\$1.50	\$3.00	White	\$1.50	\$3.00
Jefferson	\$1.00	\$3.00	Williamson	\$0.64	\$2.00
Johnson	\$1.50	\$3.00	Brentwood City	\$0.65	\$2.00
Knox	\$0.65	\$2.00	Wilson	\$0.55	\$1.67

**Tennessee Emergency Communications Board
Fiscal Year 2006 Audit Findings**

COUNTY	No Findings	Total Findings	Net Loss	Adopted Fiscal Year Budget (Approved)	Expenses exceed Budget	Insurance Coverage	Invoice not present	Segregation of Duties	Collateralization	3-day Deposit	Policy and Procedures not established and Maintained	Bond Covenant	Adopt Uniform Chart of Accounts	Written Travel Policy	Deficiencies Recording Transactions	Inadequate Supporting Documentation	Invoice not cancelled	Depreciation not in budget
Anderson	X		Y															
Bedford		2	N					X			X							
Benton		5	N		X				X	X	X					X		
Bledsoe		1	N								X							
Blount	X		N															
Bradley	X		Y															
Brentwood, City of	X		Y															
Bristol City	X		N															
Campbell	X		Y															
Cannon		1	N					X										
Carroll		2	N					X		X								
Carter	X		Y															
Cheatham	X		N															
Chester		1	N		X													
Clay		1	Y	X														
Claiborne	X		Y															
Clinton, City of	X		Y															
Cocke	X		N															
Coffee		1	N						X									
Crockett																		
Cumberland		2	Y	X							X							
Davidson/Metro Nash	X		N															
Decatur		3	N		X			X	X				X					
DeKalb	X		N															
Dickson		3	N		X			X										
Dyer		2	N		X			X										
Fayette	X		N															
Fentress	X		N															

**Tennessee Emergency Communications Board
Fiscal Year 2006 Audit Findings**

COUNTY	No Findings	Total Findings	Net Loss	Adopted Fiscal Year Budget (Approved)	Expenses exceed Budget	Insurance Coverage	Invoice not present	Segregation of Duties	Collateralization	3-day Deposit	Policy and Procedures not established and Maintained	Bond Covenant	Adopt Uniform Chart of Accounts	Written Travel Policy	Deficiencies Recording Transactions	Inadequate Supporting Documentation	Invoice not cancelled	Depreciation not in budget
Franklin		4	Y											X	X	X	X	
Gibson	X		Y															
Giles		1	N					X										
Grainger	X		Y															
Greene		1	N						X									
Grundy	X		Y															
Hamblen	X		N															
Hamilton																		
Hancock	X		Y															
Hardeman	X		Y															
Hardin	X		Y															
Hawkins		2	Y		X			X										
Haywood	X		N															
Henderson		1	N								X							
Henry		2	N					X		X								
Hickman																		
Houston		2	N		X													
Humphreys		2	N		X						X							
Jackson		3	Y		X		X								X			
Jefferson	X		Y															
Johnson		3	N		X		X				X	X						
Kingsport, City of		1	N		X													
Knox	X		Y															
LaFollette, City of		1	N												X			
Lake		3	N		X			X				X						
Lauderdale		2	Y													X	X	
Lawrence		1	N					X										
Lewis	x		Y															

**Tennessee Emergency Communications Board
Fiscal Year 2006 Audit Findings**

COUNTY	No Findings	Total Findings	Net Loss	Adopted Fiscal Year Budget (Approved)	Expenses exceed Budget	Insurance Coverage	Invoice not present	Segregation of Duties	Collateralization	3-day Deposit	Policy and Procedures not established and Maintained	Bond Covenant	Adopt Uniform Chart of Accounts	Written Travel Policy	Deficiencies Recording Transactions	Inadequate Supporting Documentation	Invoice not cancelled	Depreciation not in budget
Lincoln		1	N					X										
Loudon		1	N		X													
Macon		2	Y		X										X			
Madison	X		N															
Marion	X		N															
Marshall	X		N															
Maury	x		N															
McMinn		1	N		X													
McNairy		3	Y		X	X			X									
Meigs		1	N		X													
Monroe	X		N															
Montgomery		2	Y		X							X						
Moore		1	Y		X													
Morgan	X		N															
Oak Ridge, City of	X																	
Obion		1	N					X										
Overton-Pickett		1	Y		X													
Perry		2	Y	X												X		
Polk		1	N		X													
Putnam	X		N															
Rhea		1	N		X													
Roane	X		N															
Robertson	X		N															
Rutherford	X		N															
Scott		2	N					X			X							
Sequatchie		3	Y		X							X				X		
Sevier	X		N															
Shelby	X		N															

**Tennessee Emergency Communications Board
Fiscal Year 2006 Audit Findings**

COUNTY	No Findings	Total Findings	Net Loss	Adopted Fiscal Year Budget (Approved)	Expenses exceed Budget	Insurance Coverage	Invoice not present	Segregation of Duties	Collateralization	3-day Deposit	Policy and Procedures not established and Maintained	Bond Covenant	Adopt Uniform Chart of Accounts	Written Travel Policy	Deficiencies Recording Transactions	Inadequate Supporting Documentation	Invoice not cancelled	Depreciation not in budget
Smith		2	Y		X						X							
Stewart	X		N															
Sullivan	X		N															
Sumner		1									X							
Tipton	X		Y															
Trousdale		1	Y					X										
Unicoi		2	N		X				X									
Union	X		N															
Van Buren	X		Y															
Warren		2	N					X									X	
Washington	X		Y															
Wayne		1	N															X
Weakley		2	N		X							X						
White		2	Y		X						X							
Williamson	X		N															
Wilson	X		N															
	47	89		3	27	1	2	16	6	3	11	3	3	1	4	5	3	1

**RULES
OF
DEPARTMENT OF COMMERCE AND INSURANCE
EMERGENCY COMMUNICATIONS BOARD**

**CHAPTER 0780-6-2
DISPATCHER TRAINING REGULATIONS**

TABLE OF CONTENTS

0780-6-2-.01	Purpose	0780-6-2-.05	Minimum Supervised On-the-Job Training Requirements
0780-6-2-.02	Definitions	0780-6-2-.06	Waiver
0780-6-2-.03	Minimum Training Requirements		
0780-6-2-.04	Minimum Course of Study Requirements		

0780-6-2-.01 PURPOSE.

The purpose of this chapter is to establish minimum requirements for the training of and course of study for each emergency call taker or public safety dispatcher who receives an initial or transferred 911 call from the public in Tennessee. Nothing in these regulations should be construed to limit or restrict any additional training that an agency may elect to provide. Existing public and private training programs are encouraged to establish new curricula and modify existing programs to incorporate these minimum requirements. Such programs are urged to develop meaningful methods for measuring the knowledge, skill and ability gained through their training programs and to offer continuing education programs.

Authority: T.C.A. §§ 7-86-205 and 7-86-306(a)(1). **Administrative History:** Original rule filed October 11, 2005; effective December 25, 2005.

0780-6-2-.02 DEFINITIONS.

In this chapter, unless the context requires otherwise, the definitions in T.C.A. § 7-86-103 shall apply.

Authority: T.C.A. §§ 7-86-103, 7-86-205, and 7-86-306(a)(1). **Administrative History:** Original rule filed October 11, 2005; effective December 25, 2005.

0780-6-2-.03 MINIMUM TRAINING REQUIREMENTS.

- (1) Each 911 or public safety dispatcher who receives an initial or transferred 911 call from the public in Tennessee shall be subject to the following minimum training requirements:
 - (a) No less than forty (40) hours of supervised on-the-job training; and
 - (b) No less than forty (40) hours of public safety communications coursework which is administered or sponsored by an academy, agency, or post-secondary educational institution that:
 1. Is capable of supporting a public safety communication student with practical experience on a communication console either through liaison with a Public Safety Communication Center or a fully functional communication console simulator; and
 2. Maintains an accurate, comprehensive record system for all phases of the program which shall be available for inspection and shall include the following:
 - (i) Attendance records;

(Rule 0780-06-02-.03, continued)

- (ii) Course outlines; and
 - (iii) Lesson plans.
- (c) Continuing education of no less than eight (8) additional hours of public safety communications coursework every two (2) years after completion of the initial training.
- (2) All emergency call takers or public safety dispatchers subject to T.C.A. § 7-86-205 employed after July 1, 2006 shall have six (6) months from the date of their employment to comply with the provisions of this rule.

Authority: T.C.A. §§ 7-86-205 and 7-86-306(a)(1). **Administrative History:** Original rule filed October 11, 2005; effective December 25, 2005.

0780-6-2-.04 MINIMUM COURSE OF STUDY REQUIREMENTS.

- (1) The minimum course of study requirements for each 911 or public safety dispatcher who receives an initial or transferred 911 call from the public in Tennessee shall include course work of:
 - (a) No less than four (4) hours in the roles and responsibilities of 911 or public safety dispatchers, including but not limited to the following subjects:
 - 1. The mission, ethics, and values of emergency communications providers;
 - 2. Professionalism; telecommunicators as part of a public safety team;
 - 3. Basic policies and procedures for telecommunicators and their organizations;
 - 4. Overview of communities and agencies served;
 - 5. Rules and regulations governing emergency communications;
 - 6. Service area geography;
 - 7. Emergency communications disaster plans;
 - 8. Risk management;
 - 9. CPR;
 - 10. News/media relations;
 - 11. Responder safety.
 - (b) No less than two (2) hours in legal concepts and principles, including but not limited to liability, applicable to the operation of:
 - 1. Law enforcement agencies;
 - 2. Fire/rescue agencies;
 - 3. Emergency medical services (“EMS”) agencies;

(Rule 0780-06-02-.04, continued)

4. Public safety communications agencies.
- (c) No less than five (5) hours in interpersonal communication skills, including but not limited to the following areas:
1. Communication techniques and information processing, such as listening, hearing, diction, empathy, perception, and intuitiveness;
 2. Customer service, including but not limited to discrimination and harassment issues;
 3. Diversity issues relating to effective emergency communications, including but not limited to race, nationality, age, speech/hearing impairment, non-English speaking callers and demographics.
- (d) No less than four (4) hours in emergency communications technology, including but not limited to the following areas:
1. Operation of telephones, including but not limited to wireline, portable, wireless (including cellular and personal communication service ("PCS")) and text telephones for the speech/hearing impaired;
 2. Basic and Enhanced 911;
 3. Automatic Location Identification ("ALI") and Automatic Number Identification ("ANI");
 4. Call tracing and records retrieval procedures;
 5. Computerized mapping;
 6. Logging recorders;
 7. Computer aided dispatch ("CAD") systems;
 8. Wireless, Phase I and II;
 9. Voice Over Internet Protocol.
- (e) No less than eleven (11) hours in communication techniques and call processing, including but not limited to the following areas:
1. Public relations;
 2. Call receipt;
 3. Interviewing;
 4. Controlling the call;
 5. Managing high risk/difficult calls, including but not limited to domestic violence;
 6. Managing differing call categories, including law enforcement, fire/rescue, EMS, HAZMAT or acts of terrorism;

(Rule 0780-06-02-.04, continued)

7. Managing differing call types and events, including in-progress, just- occurred, late, events requiring specific instructions, notifications;
 8. The importance of obtaining proper information, including location, nature, injuries, weapons, chemicals, etc.;
 9. Telematics;
 10. Homeland Security issues, including but not limited to:
 - (i) Protocols and procedures (for example, call profiling, as in when to notify the FBI);
 - (ii) NIMS (“National Incident Management System”), if applicable; and
 - (iii) NORAD (“North American Aerospace Defense”) call procedures and protocols (dealing with emergency calls from aircraft).
- (f) No less than twelve (12) hours in radio communications and dispatch techniques, including but not limited to the following areas:
1. Procedures and protocols;
 2. Radio discipline;
 3. Rules of the Federal Communications Commission (“FCC”) related to radios;
 4. Radio coverage;
 5. Consoles;
 6. Responder safety.
- (g) No less than two (2) hours in stress management, including but not limited to the following areas:
1. Causes;
 2. Strategies for dealing with stress;
 3. Peer support;
 4. Critical incident stress debriefing.
- (2) Course work shall include practical exercises duplicating communication center practices in which the student performs the subject matter being taught.
- (3) Course work shall include testing.

Authority: T.C.A. §§ 7-86-205 and 7-86-306(a)(1). **Administrative History:** Original rule filed October 11, 2005; effective December 25, 2005.

0780-6-2-.05 MINIMUM SUPERVISED ON-THE-JOB TRAINING REQUIREMENTS.

- (1) The minimum on-the-job training/course of study requirements for each 911 or public safety dispatcher who receives an initial or transferred 911 call from the public in Tennessee shall include a period of supervised instruction of no less than forty (40) hours related to the following:
 - (a) Agency/department policies and procedures (including a written handbook containing such policies and procedures);
 - (b) Agency/department geographical area;
 - (c) Agency/department telephone system and equipment operations;
 - (d) Structure of local government and agencies being served;
 - (e) Local ordinances and requirements;
 - (f) Governmental and private resources;
 - (g) National Crime Information Center data and records, if applicable.

Authority: T.C.A. §§ 7-86-205 and 7-86-306(a)(1). **Administrative History:** Original rule filed October 11, 2005; effective December 25, 2005.

0780-6-2-.06 WAIVER.

In the event of a natural or manmade disaster which renders local emergency communications unable to remain operational without the assistance of individuals who have not completed the requirements included herein, said requirements are waived.

Authority: T.C.A. §§ 7-86-205 and 7-86-306(a)(1). **Administrative History:** Original rule filed October 11, 2005; effective December 25, 2005.

911 Revenue Standards

**Adopted by
The Tennessee Emergency Communications Board**

Effective July 1, 2001

Amended September 28, 2006

**Randy Porter, Chair
Ike Lowry, Vice Chair**

**Executive Director:
Lynn Questell**

TECB Financial Support Staff:

**J. Don Johnson, TECB Auditor
James C. Barnes, Accounting Manager
Sandra Telford, Accounting Technician**

TECB Members:

**Tom Beehan, Representative of Tennessee Municipal League
Charles Bilbrey, Representative of Comptroller of the Treasury
Katrina Cobb, Representative of General Public
Carolann Feathers, Fayette County ECD
Freddie Rich, Maury County ECD
Steven Smith, Rutherford County ECD
Mike Taylor, Representative of Tennessee County Services Association**

INTRODUCTION

The Tennessee Emergency Communications Board (TECB), or State 911 Board) was created by the Tennessee General Assembly "...for the purpose of assisting emergency communications district boards of directors in the area of management, operations, and accountability, and establishing emergency communications for all citizens of the state..." (*Tennessee Code Annotated (T.C.A.)* § 7-86-302).

T.C.A. §7-86-306(9) directs the State 911 Board to "...establish operating standards concerning acceptable uses of revenue for emergency communications districts and periodically review and revise these standards..."

REQUIRED USES OF 911 REVENUE

The following items are required functions and uses of revenue of an Emergency Communications District (ECD). These items must be expended before an ECD may consider spending revenue on any permissible expenditure.

1. **Lease, purchase, or maintenance of existing enhanced emergency (911 service) telephone equipment [Automatic Number Identification (ANI), and Automatic Location Identification (ALI)], including necessary computer hardware, software, and database provisioning for existing PSAP(s) in an Emergency Communications District.**
2. **The rates associated with the service suppliers' enhanced emergency (911 service) telephone system network services (ANI and ALI) for existing PSAP(s) in an Emergency Communications District.**
3. **Expenditures for the lease, purchase, modification, or upgrade of systems and devices required to provide wireless enhanced 911 service.**
4. **Costs of an annual audit, pursuant to Tennessee Code Annotated § 7-86-113.**

7-86-113. - Audits.

- (a) *The board of directors of each district shall cause an annual audit to be made of the books and records of the district. Within thirty (30) days after receipt by the district, a copy of the annual audit shall be filed with the clerk or recorder of the appropriate county or municipality who shall then distribute copies to members of the appropriate legislative body. Within thirty (30) days after receipt by the district, a copy of the annual audit shall also be filed with the chief administrative officer of the appropriate county or municipality. The comptroller of the treasury, through the department of audit, shall be responsible for determining that such audits are prepared in accordance with generally accepted governmental auditing standards and that such audits meet the minimum standards prescribed by the comptroller of the treasury. The comptroller of the treasury shall promulgate such rules and regulations as are required to assure that the books and records are kept in accordance with generally accepted accounting procedures and that audit standards prescribed by the comptroller of the treasury are met.*
- (b) *These audits shall be prepared by certified public accountants, public accountants or by the department of audit. In the event the governing body of the district shall fail or refuse to have the audit prepared, then the comptroller of the treasury may appoint a certified public accountant, or public accountant or direct the department of audit to prepare the audit, the cost of such audit to be paid by the district.*
- (c) *The comptroller of the treasury is authorized to modify the requirements for an audit as set out herein for any districts whose activity, in the comptroller of the treasury's judgment, is not sufficient to justify the expenses of a complete audit. Furthermore, the comptroller of the treasury is authorized to direct the department of audit to make an audit of financial review of the books and records of districts.*

5. Premiums on surety bonds, pursuant to T.C.A. § 7-86-119.

7-86-119. Surety bond.

- (a) Any board member, executive committee member, employee officer, or any other authorized person of an emergency communications district, who receives public funds, has authority to make expenditures from public funds, or has access to any public funds is hereby required to give bond made payable to the state of Tennessee with such sureties as hereinafter provided. Such bond is to be conditioned in all cases in which a different condition is not prescribed, upon the faithful discharge of the duties of such office, employment or other authorized activity in which such person is engaged during the time such person continues therein, or in the discharge of any part of such duties.
- (b) Such official bond shall be executed in the same form as that prescribed by § 8-19-101, for county and state officials and employees.
- (c) (1) The amount of such required bond shall be a reasonable amount as determined by the amount of public funds received, expended, or the amount of such bond shall be reasonable to protect the public from breach of the condition of faithful discharge of the duties of such office or position, when the amount of public funds to be received, or expended, or to which that person will have access is considered.
- (2) Effective July 1, 1994, the minimum amount of such required bond shall be determined from the amount of revenues handled by the respective emergency communications district during the last audit approved by the comptroller of the treasury. The minimum amount of the bond shall be based on revenues as follows:
 - (A) Less than fifty thousand dollars (\$50,000) - a base bond of five thousand dollars (\$5,000).
 - (B) From fifty thousand dollars (\$50,000) to five hundred thousand dollars (\$500,000) - an amount equal to ten percent (10%) of the revenues handled by the district.
 - (C) Five percent (5%) of the excess of five hundred thousand dollars (\$500,000) to one million dollars (\$1,000,000) shall be added.
 - (D) Three percent (3%) of the excess of one million dollars (\$1,000,000) to three million dollars (\$3,000,000) shall be added.
 - (E) Two percent (2%) of the excess of three million dollars (\$3,000,000) shall be added.
 - (F) The amounts indicated in subdivisions (2)(A)-(E) shall be cumulative.
- (d) All such official bonds shall be signed by authorized individuals of a corporate surety, and such corporation shall be duly licensed to do business in the state of Tennessee as a surety.
- (e) The official bonds required under this section are hereby required to be transmitted to the comptroller of the treasury, to be filed in the comptroller of the treasury's office, and be receipted for by the comptroller of the treasury.
- (f) Provisions for bonds of all state and county officers set forth in title 8, chapter 19, shall also govern the bonds of all persons covered under this section, so far as the provisions of title 8, chapter 19, are not inconsistent with the provisions of this section.
- (g) The respective emergency communications district shall pay the premiums for such bonds.

6. Public meeting notices or legal notices for compliance with the Open Meetings Act (T.C.A. Title 8, Chapter 44, et seq.)

8-44-101. Policy - Construction.

- (a) *The general assembly hereby declares it to be the policy of this state that the formation of public policy and decisions is public business and shall not be conducted in secret.*
- (b) *This part shall not be construed to limit any of the rights and privileges contained in article I, § 19 of the Constitution of Tennessee.*

8-44-102. Open meetings - "Governing body" defined - "Meeting" defined.

- (a) *All meetings of any governing body are declared to be public meetings open to the public at all times, except as provided by the Constitution of Tennessee.*
- (b) (1) *"Governing body" means:*
 - (A) *The members of any public body which consists of two (2) or more members, with the authority to make decisions for or recommendations to a public body on policy or administration and also means a community action agency which administers community action programs under the provisions of 42 U.S.C. § 2790 [repealed]. Any governing body so defined by this section shall remain so defined, notwithstanding the fact that such governing body may have designated itself as a negotiation committee for collective bargaining purposes, and strategy sessions of a governing body under such circumstances shall be open to the public at all times;*
 - (B) *The board of directors of any nonprofit corporation which contracts with a state agency to receive community grant funds in consideration for rendering specified services to the public; provided, that community grant funds comprise at least thirty percent (30%) of the total annual income of such corporation. Except such meetings of the board of directors of such nonprofit corporation that are called solely to discuss matters involving confidential doctor-patient relationships, personnel matters or matters required to be kept confidential by federal or state law or by federal or state regulation shall not be covered under the provisions of this chapter, and no other matter shall be discussed at such meetings;*
 - (C) *The board of directors of any not-for-profit corporation authorized by the laws of Tennessee to act for the benefit or on behalf of any one (1) or more of counties, cities, towns and local governments pursuant to the provisions of title 7, chapter 54 or 58. The provisions of this subdivision (b)(1)(C) shall not apply to any county with a metropolitan form of government and having a population of four hundred thousand (400,000) or more according to the 1980 federal census or any subsequent federal census;*
 - (D) *The board of directors of any nonprofit corporation which through contract or otherwise provides a metropolitan form of government having a population in excess of five hundred thousand (500,000) according to the 1990 federal census or any subsequent federal census with heat, steam or incineration of refuse;*
 - (E) (i) *The board of directors of any association or nonprofit corporation authorized by the laws of Tennessee that:*
 - (a) *Was established for the benefit of local government officials or counties, cities, towns or other local governments or as a municipal bond financing pool;*
 - (b) *Receives dues, service fees or any other income from local government officials or such local governments that constitute at least thirty percent (30%) of its total annual income; and*

- (c) *Was authorized as of January 1, 1998, under state law to obtain coverage for its employees in the Tennessee consolidated retirement system.*
- (ii) *The provisions of this subdivision (b)(1)(E) shall not be construed to require the disclosure of a trade secret or proprietary information held or used by an association or nonprofit corporation to which this chapter applies. In the event a trade secret or proprietary information is required to be discussed in an open meeting, the association or nonprofit corporation may conduct an executive session to discuss such trade secret or proprietary information; provided, that a notice of the executive session is included in the agenda for such meeting.*
- (iii) *As used in this subdivision (b)(1)(E):*
 - (a) *"Proprietary information" means rating information, plans, or proposals; actuarial information; specifications for specific services provided; and any other similar commercial or financial information used in making or deliberating toward a decision by employees, agents or the board of directors of such association or corporation; and which if known to a person or entity outside the association or corporation would give such person or entity an advantage or an opportunity to gain an advantage over the association or corporation when providing or bidding to provide the same or similar services to local governments; and*
 - (b) *"Trade secret" means the whole or any portion or phrase of any scientific or technical information, design, process, procedure, formula or improvement which is secret and of value. The trier of fact may infer a trade secret to be secret when the owner thereof takes measures to prevent it from becoming available to persons other than those selected by the owner to have access thereto for limited purposes;*
- (2) *"Meeting" means the convening of a governing body of a public body for which a quorum is required in order to make a decision or to deliberate toward a decision on any matter. "Meeting" does not include any on-site inspection of any project or program.*
 - (c) *Nothing in this section shall be construed as to require a chance meeting of two (2) or more members of a public body to be considered a public meeting. No such chance meetings, informal assemblages, or electronic communication shall be used to decide or deliberate public business in circumvention of the spirit or requirements of this part.*

8-44-103. Notice of public meetings.

- (a) *Notice of Regular Meetings. Any such governmental body which holds a meeting previously scheduled by statute, ordinance, or resolution shall give adequate public notice of such meeting.*
- (b) *Notice of Special Meetings. Any such governmental body which holds a meeting not previously scheduled by statute, ordinance, or resolution, or for which notice is not already provided by law, shall give adequate public notice of such meeting.*
- (c) *The notice requirements of this part are in addition to, and not in substitution of, any other notice required by law.*

8-44-104. Minutes recorded and open to public - Secret votes prohibited.

- (a) *The minutes of a meeting of any such governmental body shall be promptly and fully recorded, shall be open to public inspection, and shall include, but not be limited to, a record of persons present, all motions, proposals and resolutions offered, the results of any votes taken, and a record of individual votes in the event of roll call.*

- (b) *All votes of any such governmental body shall be by public vote or public ballot or public roll call. No secret votes, or secret ballots, or secret roll calls shall be allowed. As used in this chapter, "public vote" means a vote in which the "aye" faction vocally expresses its will in unison and in which the "nay" faction, subsequently, vocally expresses its will in unison.*

8-44-105. Action nullified - Exception.

Any action taken at a meeting in violation of this part shall be void and of no effect; provided, that this nullification of actions taken at such meetings shall not apply to any commitment, otherwise legal, affecting the public debt of the entity concerned.

8-44-108. Participation by electronic or other means.

- (a) *As used in this section, unless the context otherwise requires:*
- (1) *"Governing body" refers only to boards, agencies and commissions of state government; and*
 - (2) *"Meeting" has the same definition as that found in the Public Meetings Act, compiled in § 8-44-102.*
- (b) *Members of any governing body, upon a declaration of necessity, may participate in a regular or special meeting by, or conduct the meeting through, the use of any means of communication, electronic or otherwise, by which all members participating may simultaneously hear each other and speak to each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting for purposes of quorum requirements and voting, but not for purposes of determining per diem eligibility.*
- (c) *No governing body is required to allow participation by electronic or other means of communication. Any meeting held pursuant to the terms of this section shall conform to the requirements of the Open Meetings Act, compiled in this part, and shall not circumvent the spirit or requirements of that law.*
- (d) *If electronic or other means of communication are to be used at a public meeting, notices required by the Open Meetings Act or any other notice required by law shall state that the meeting will be conducted with some persons participating by electronic or other means of communication. The governing body shall make a determination that the matters to be considered by the body at that meeting require timely action by the body, that physical presence by all members is not possible within the period of time requiring action, and that participation by some members by electronic or other means of communication is, therefore, necessary.*
- (e) *Any member not physically present at the meeting shall be provided, before the meeting, with any documents that will be discussed at the meeting, with substantially the same content as those documents actually presented.*

PERMISSIBLE USES OF 911 REVENUE

The following items may be expended by an Emergency Communications District (ECD), regardless of the source of revenue. These items do not represent required expenditures of 911 revenue, but rather, represent permissible uses of 911 revenue, provided that an ECD has the budgetary resources and that such expenditures fit within the district's system plan. The order of the items on this list does not constitute any priority that should be given to the items.

1. **Lease, purchase, or maintenance of additional enhanced emergency (911 service) telephone equipment [Automatic Number Identification (ANI), and Automatic Location Identification (ALI)], including necessary computer hardware, software, and database provisioning for additional PSAPs in an Emergency Communications District.**
2. **The rates associated with the service suppliers' enhanced emergency (911 service) telephone system network services (ANI and ALI) for additional PSAPs in an Emergency Communications District.**
3. **Back-up power and service for existing and additional PSAPs in an Emergency Communications District.**
4. **Office supplies and equipment of an Emergency Communications District.**
5. **The actual costs incurred of salaries of employees, experts, and consultants hired by the Board of Directors of an Emergency Communications District, pursuant to T.C.A. § 7-86-105(g) and (h). Provided, however, that no member of the Board of Directors of an Emergency Communications District shall be an employee of the Emergency Communications District [T.C.A. § 7-86-105(i)].**

7-86-105. Creation - Board of directors.

- (g) The board has the authority to employ such employees, experts and consultants as it may deem necessary to assist the board in the discharge of its responsibilities to the extent that funds are made available.*
 - (h) The board has the authority to establish or make available for the benefit and welfare of its employees such pension, insurance or other employee benefit plans as it may deem appropriate, including participation in the Tennessee consolidated retirement system in accordance with the provisions of title 8, chapter 35, part 2.*
 - (i) No member of the board of directors shall be an employee of the emergency communications district.*
6. **Utilities and repair costs directly related to the implementation and maintenance of 911 service.**

7. Cost of leasing or purchasing, or payments of debt service on any bonds or notes issued pursuant to T.C.A. § 7-86-114 and § 7-86-121 for leasing or purchasing, a facility or service for the use by or for an Emergency Communications District.

7-86-114. Bond issues.

- (a) *Subject to the approval of the legislative body of a county or municipality wherein a district is established, each district has the power and is hereby authorized from time to time to issue its negotiable bonds, notes and debt obligations for lease and/or lease purchases in anticipation of the collection of revenues for the purpose of constructing, acquiring, reconstructing, improving, bettering or expanding any facility or service authorized by this part, or any combination thereof, and to pledge to the payment of the principal of and interest on such bonds, notes or debt obligations all or any part of the revenues derived from the operation of such facility, service or combination thereof. There may be included in the costs for which bonds or notes are to be issued, reasonable allowances for legal, engineering and fiscal services, interest during construction and for six (6) months after the estimated date of completion of construction, and other preliminary expenses, including the expenses of incorporation of the district.*
- (b) *No bond, note or debt obligation authorized herein may be issued until the resolution authorizing the issuance of the bonds, notes or debt obligations, together with a statement, shall show in detail the total outstanding bonds, notes, warrants, refunding bonds, and other evidences of indebtedness of the district, together with the maturity dates thereof, interest rates, special provisions for payment, the project to be funded by the bonds, notes or debt obligation, the current operating financial statement of the district and any other pertinent financial information, is submitted to the state director of local finance for review, and the state director of local finance may report thereon to the district within fifteen (15) days from the date the plan was received by the state director of local finance, and the state director of local finance shall immediately acknowledge receipt in writing of the proposed issue statement and information. The report thus received by the district shall be published once in a newspaper of general circulation in the county of the principal office of the district, during the week following its receipt. After receiving the report of the state director of local finance, and after publication of such report, or after the expiration of fifteen (15) days from the date the statement and information are received by the state director of local finance, whichever date is earlier, the district may take such action with reference to the proposed issue as it deems advisable. Such report of the state director of local finance shall also be made a part of the bond, note or debt obligation transcript.*
- (c) *The bonds may be issued in one (1) or more series, may bear such date or dates, shall mature at such time or times, not exceeding forty (40) years from their respective dates, may bear interest at such rate or rates payable semi-annually, may be in such denomination, may be in such form, either coupon or registered, may be payable at such place or places, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment at such place or places, may be subject to such terms of redemption, with or without premium, all as may be provided by resolution of the legislative body of the county. The bonds shall be fully negotiable for all purposes.*
- (d) *If any issue of such bonds or notes is to be sold to an agency of the federal government or an agency of the state of Tennessee, such bond or note issue may at the request of such agency be delivered as an installment bond or note payable as to*

principal and interest in equal or approximately equal installments for the term of such bond or note issue in accordance with the resolution authorizing such bond or note issue. Such authorizing resolution shall stipulate the annual principal and interest requirements during the full term of the bond or note issue.

- (e) Nothing herein shall prohibit or limit the authority of the board of directors from entering into leases or lease purchases, so long as the term thereof does not exceed five (5) years, and no other approvals thereof shall be required.*
- (f) Notes may be issued in the same manner as bonds but shall mature at such time or times, not exceeding five (5) years.*
- (g) (1) The lease/lease purchase agreements authorized under this section shall be issued in the manner prescribed by chapter 51, part 9 of this title. For the purposes of applying chapter 51, part 9 of this title, the district board of directors is deemed to be the governing body except that, all lease/lease purchase agreements exceeding five (5) years shall be subject to the approval of the appropriate county or municipal governing body.*
 - (2) For the purposes of this section, in the provisions of §§ 7-86-115, 7-86-116 and 7-86-117, "bond" or "bonds" are deemed to include notes.*
 - (3) For the purposes of this section, in the provisions of §§ 7-86-116 and 7-86-117, "bond" or "bonds" includes debt obligations for lease/lease purchases.*

7-86-121. Sale of bonds or notes - Revenue.

- (a) Bonds and/or notes issued pursuant to the provisions of this part may be sold at either public sale or private negotiated sale.*
- (b) All revenues including any debt obligation issued for the purpose of a lease/lease purchase must be expended according to the provisions of the "County Purchasing Law of 1983," compiled in title 5, chapter 14, part 2. For the purposes of applying title 5, chapter 14, part 2, the district board of directors is deemed to be the governing body.*

- 8. Addressing, mapping, master street address guides and location related equipment and operational costs required to provide 911 service. The involvement of Emergency Communications Districts in the addressing activities is complementary to the responsibilities of local governments.**
- 9. Public education on the implementation and use of 911 service.**
- 10. Insurance.**
- 11. Interest income may be used for operating and capital expenditures of an Emergency Communications District, provided that such expenditures constitute permissible uses of 911 revenue established by the Tennessee Emergency Communications Board.**
- 12. Board meeting expenses.**
- 13. Employee uniforms and shirts that may include the "logo" or name of the Emergency Communications District.**
- 14. Pagers, cell phones, and other personal communication devices for the exclusive use by an Emergency Communications District.**

15. **Licenses and fees.**
16. **Lawsuit settlement expenses.**
17. **Dues and memberships to professional organizations for employees and board members of an Emergency Communications District. Dues and membership to Chamber of Commerce for the Emergency Communication District.**
18. **Costs for which bonds and notes are issued, including legal, engineering, fiscal services, and interest during construction and for six months after the estimated date of completion of construction, pursuant to T.C.A. § 7-86-114(a).**

7-86-114. Bond issues.

(a) Subject to the approval of the legislative body of a county or municipality wherein a district is established, each district has the power and is hereby authorized from time to time to issue its negotiable bonds, notes and debt obligations for lease and/or lease purchases in anticipation of the collection of revenues for the purpose of constructing, acquiring, reconstructing, improving, bettering or expanding any facility or service authorized by this part, or any combination thereof, and to pledge to the payment of the principal of and interest on such bonds, notes or debt obligations all or any part of the revenues derived from the operation of such facility, service or combination thereof. There may be included in the costs for which bonds or notes are to be issued, reasonable allowances for legal, engineering and fiscal services, interest during construction and for six (6) months after the estimated date of completion of construction, and other preliminary expenses, including the expenses of incorporation of the district.
19. **Travel expenses, pursuant to T.C.A. § 7-86-125.**

7-86-125. Comprehensive travel regulations for district officers and employees.

(a) The board of directors of each district shall adopt comprehensive travel regulations applicable to all officers and employees of the district. The minimum regulations shall be the same as those of the appropriate county or municipality which created the district. Nothing herein shall prohibit a district from adopting a more stringent policy. However, the district may establish a mileage allowance for travel up to, but not in excess of, the business standard mileage rate established by the Internal Revenue Code.

(b) If the appropriate county or municipality does not have comprehensive travel regulations as described in subsection (a), the board shall adopt travel regulations. Such regulations shall determine how expenses will be reimbursed and what expenses are reimbursable. A copy of such travel regulations shall be open for public inspection and kept on file in the district office.
20. **Service recognition awards to members of the Board of Directors of an Emergency Communications District, employees of an Emergency Communications District, and members of the public.**

21. **If and only if an Emergency Communications District is providing law enforcement dispatch services, pursuant to an interlocal agreement between the ECD and a law enforcement services provider, and pursuant to T.C.A. Title 12, Chapter 9, Part 1, expenditures for NCIC/TBI/TIES and associated costs are permissible.**

12-9-101. Short title.

This chapter may be cited as the "Interlocal Cooperation Act."

12-9-102. Purpose.

It is the purpose of this chapter to permit local governmental units the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities.

12-9-103. Definitions.

As used in this chapter, unless the context otherwise requires:

(1) "Public agency" means:

(A) Any political subdivision of this state;

(B) Any private incorporated fire department and industrial fire department not supported by public funds or which are only partially supported by public funds;

(C) Any incorporated rescue squad that is not supported by public funds or that is only partially supported by public funds;

(D) Any agency of the state government or of the United States; and

(E) Any political subdivision of another state; and

(2) "State" means a state of the United States.

12-9-104. Interlocal agreements.

(a) (1) Any power or powers, privileges or authority exercised or capable of exercise by a public agency of this state, including those provided in § 6-54-307, may be exercised and enjoyed jointly with any other public agency of this state having the power or powers, privilege or authority, and jointly with any public agency of any other state or the United States to the extent that laws of such other state or of the United States permit such joint exercise or enjoyment. Any agency of the state government when acting jointly with any public agency may exercise and enjoy all of the powers, privileges and authority conferred by this chapter upon a public agency. The authority for joint or cooperative action of political subdivisions shall apply to powers, privileges or authority vested in, funded by, and/or under the control of their governing bodies and relative to which the governing bodies may make other types of contracts. No joint or cooperative agreement shall be entered into affecting or relating to the constitutional or statutory powers, privileges or authority of officers of political subdivisions, or of agencies of political subdivisions with a separate governing board and having powers granted by statute independent of the governing body. Notwithstanding any provision of the law to the contrary, any municipality may enter into an agreement with the sheriff, court of general sessions, and the governing body of any county in which it is located to provide for the enforcement of the municipality's ordinances according to the provisions of §§ 8-8-201(34) and 16-15-501. The agreement between the municipality and the county governing body shall be limited to provide that the cost of such enforcement will be borne by the municipality where the court costs paid over to the county, as provided by § 16-15-501, are not adequate.

- (2) Agencies of political subdivisions that have governing boards separate from the governing bodies of the political subdivisions may make agreements for joint or cooperative action with other such agencies and with other public agencies. The power to make joint or cooperative agreements includes any power, privilege or authority exercised or that may be exercised by each of the agencies that is a party to the agreement. Agreements between agencies of political subdivisions that have separate governing boards and other such agencies and agreements between such agencies and public agencies shall substantially conform to the requirements of this chapter. The governing bodies of such political subdivisions shall require agreements made by their agencies pursuant to this chapter to be submitted to the governing body for approval before the agreements take effect.
- (b) Any two (2) or more public agencies may enter into agreements with one another for joint or cooperative action pursuant to the provisions of this chapter. Appropriate action of the governing bodies of the participating public agencies by resolution or otherwise pursuant to law shall be necessary before any such agreement may enter into force.
- (c) Any such agreement shall specify the following:
- (1) Its duration;
 - (2) The precise organization, composition and nature of any separate legal or administrative entity or entities created thereby, which may include, but is not limited to, a corporation not for profit, together with the powers delegated to such a corporation;
 - (3) Its purpose or purposes;
 - (4) The manner of financing the joint or cooperative undertaking and of establishing and maintaining a budget for such undertaking;
 - (5) The permissible method or methods to be employed in accomplishing the partial or complete termination of the agreement and for disposing of property upon such partial or complete termination; and
 - (6) Any other necessary and proper matters.
- (d) In the event that the agreement does not establish a separate legal entity or entities to conduct the joint or cooperative undertaking, the agreement shall, in addition to the requirements of subdivisions (c)(1)-(6), contain the following:
- (1) Provision for an administrator or a joint board responsible for administering the joint or cooperative undertaking. In the case of a joint board, public agencies party to the agreement shall be represented; and
 - (2) The manner of acquiring, holding and disposing of real and personal property used in the joint or cooperative undertaking.
- (e) (1) No agreement made pursuant to this chapter shall relieve any public agency of any obligation or responsibility imposed upon it by law except that to the extent of actual and timely performance thereof by a joint board or other legal or administrative entity or entities created by an agreement made hereunder, those performances may be offered in satisfaction of the obligation or responsibility.
- (2) (A) Notwithstanding the provisions of title 9, chapter 21, including § 9-21-105(14)(B) and § 9-21-107 to the contrary, a separate legal or administrative entity, created by interlocal agreement between two (2) or more political subdivisions of the state acting pursuant to this chapter, is not empowered to:
- (i) Assess, levy, or collect ad valorem taxes;
 - (ii) Issue general obligation bonds; or
 - (iii) Exercise the power of eminent domain.

(B) However, to the extent that the participating political subdivisions possess such powers, the political subdivisions may exercise such powers on behalf and for the benefit of the separate legal or administrative entity.

(f) Financing of joint projects by agreement shall be as provided by law.

12-9-105. Status of agreements - Parties to actions.

In the event that an agreement entered into pursuant to this chapter is between or among one (1) or more public agencies of this state and one (1) or more public agencies of another state or of the United States, the agreement shall have the status of an interstate compact, but in any case or controversy involving performance or interpretation thereof or liability thereunder, the public agencies party thereto shall be real parties in interest and the state may maintain an action to recoup or otherwise make itself whole for any damages or liability which it may incur by reason of being joined as a party therein. Such action shall be maintainable against any public agency or agencies whose default, failure of performance, or other conduct caused or contributed to the incurring of damage or liability by the state.

12-9-106. Approval or disapproval.

In the event that an agreement made pursuant to this chapter shall deal in whole or in part with the provision of services or facilities with regard to which an officer or agency of the state government has constitutional or statutory powers of control, the agreement shall, as a condition precedent to its entry into force, be submitted to the state officer or agency having such power of control and shall be approved or disapproved by such state officer or agency as to all matters within such officer's or agency's jurisdiction.

12-9-107. Appropriations - Furnishing of property, personnel and service.

Any public agency entering into an agreement pursuant to this chapter may appropriate funds and may sell, lease, give, or otherwise supply the administrative joint board or other legal or administrative entity created to operate the joint or cooperative undertaking by providing such personnel or services therefor as may be within its legal power to furnish.

12-9-108. Interlocal contracts for performance of services.

Any one (1) or more public agencies may contract with any one (1) or more public agencies to perform any governmental service, activity or undertaking which each public agency entering into the contract is authorized by law to perform; provided, that such contract shall be authorized by the governing body of each party to the contract. Such contract shall set forth fully the purposes, powers, rights, objectives, and responsibilities of the contracting parties. Contracts entered into pursuant to this section need not conform to the requirements set forth in this chapter for contracts for joint undertakings.

12-9-109. Contracts under other laws unaffected.

Nothing in this chapter shall prohibit any public agency from contracting with other public agencies under the provisions of existing statutory or charter authority.

- 22. Contracts with Private Agencies to run ECD Operations, to the extent that the law allows and provided that oversight, accountability, and liability are retained by an Emergency Communications District concerning the level and quality of 911 service and the financial integrity of the Emergency Communications District.**
- 23. Responder and dispatch surveys.**

24. **Facility Relocation Expenses of an Emergency Communications District.**
25. **Training Expenses.**
26. **Cost of dispatcher or telecommunicator or call taker salaries and benefits, as provided for in an interlocal agreement pursuant to T.C.A. Title 12, Chapter 9, Part 1.**
27. **If an Emergency Communications District is providing impact payments (pursuant to an interlocal agreement), such payments shall be based on true cost recovery, justified, and represent permissible uses of 911 revenue.**
28. **Capital costs for communications equipment and location equipment used by appropriate emergency service units or agencies that respond to 911 calls.**
29. **Vending Machines. Provided, however, that all proceeds from vending operations shall be deposited to the Emergency Communications District's official bank account in the same manner as all other receipts. All disbursements related to vending operations shall be paid by official check of the Emergency Communications District in the same manner as all other disbursements. The machines shall be operated on at least a break-even basis. Provided further that, in all cases involving vending facilities, the Tennessee Department of Human Services (DHS) shall be contacted to determine requirements for compliance with T.C.A. § 71-4-501, et seq., and any other applicable state or federal laws.**

71-4-501. Legislative intent - Construction.

It is the intent of the general assembly to grant to blind individuals a priority in the establishment and operation of vending facilities on public property in this state. To that end, this part shall be liberally construed to give the blind individuals who are eligible for such priority the greatest possible opportunities to operate such vending facilities so that they may become self-supporting.

71-4-502. Definitions.

As used in this part, unless the context otherwise requires:

- (1) "Blind individual" means any person who meets the requirements for services through the business enterprise program for the blind under part 4 of this chapter and who has been trained and licensed by the department to operate a vending facility under the program's requirements;*
- (2) "Department" means the department of human services or its successor which has been designated under the Randolph-Sheppard Act (20 U.S.C. §§ 107-107f) as the state licensing agency;*
- (3) "Priority" means the right of the department to establish on any public property a vending facility to be operated by a blind individual. This priority means that when the department has surveyed a public property and determined that such property is suitable for the location of a vending facility, it shall have the right of first refusal and the exclusive right to the operation of any and all vending facilities on any public property which it determines are capable of being operated by a blind individual which it licenses, or by an individual who may be operating the facility as a temporary manager until a licensed blind individual can assume the operation of the vending facility. Except as provided in subdivision (4) and §§ 71-4-504, 71-4-505, and 71-4-506, the priority shall apply to all existing, altered, or new buildings, facilities, or*

grounds. This priority shall be exercised exclusively by the department in its sole discretion on behalf of legally blind individuals who are qualified and licensed as vending facility managers by the department and who are deemed capable of providing the type of service required by the management of the public property;

- (4) "Public property" means all property owned or leased by: the state of Tennessee, any county, municipality, or any other entity which is created by act of the general assembly to perform any public function; provided, that primary and secondary schools, and entities created under title 42, and their operations, are specially excluded from this definition; and provided further, that institutions that are governed by the University of Tennessee system or the state university and community college system and their operations are also specifically excluded from this definition except that the vending facilities presently in operation at such institutions on April 29, 1996, shall continue to operate at their present locations or, if necessary, at a location comparable in terms of potential patronage, with the priority established by this part. Moreover, the existing priority shall extend to any new structures on any of the campuses governed by the University of Tennessee or the state university and community college system and the priority shall also extend to the establishment of at least one (1) vending facility on any new campus which is developed either by the University of Tennessee system or the state university and community college system; and
- (5) "Vending facility" means a location or structure or space which may sell foods, beverages, confections, newspapers, periodicals, tobacco products, and other articles and services which are dispensed automatically by a machine or manually by sales personnel or attendants and which may be prepared on or off the premises in accordance with applicable health laws. A "vending facility" may consist, exclusively or in appropriate combination as determined by the department, of automatic vending machines, cafeterias, snack bars, catering services, food concession vehicles, cart services, shelters, counters, and any appropriate equipment necessary for the sale of articles or services described above. A "vending facility" may encompass more than one (1) building on a public property.

71-4-503. Vending facilities on public property - Priority - Establishment.

- (a) Whenever any new buildings or other facilities are to be constructed by the state or on any other public property or when any existing contracts expire or are changed in any way, the department shall be notified and it shall promptly make an investigation and survey of the public property to determine if, in its judgment, the location is suitable for one (1) or more vending facilities. If, in the department's judgment, the location is suitable for a vending facility, the department may exercise its priority to establish such a vending facility.
- (b) If the department exercises the priority under this part, it shall have the right to establish such a vending facility, and it shall provide the necessary alterations, plumbing and electrical services, the necessary equipment, merchandise, a licensed or temporary manager, and the appropriate supervision of the manager. The public property management shall cooperate with the department in whatever manner necessary in order for it to carry out the provisions of this part. The space for the vending facilities and utilities shall be provided at no cost; provided, that the cost of telephone service shall not be the responsibility of the public property management. In cafeteria operations, the licensed or temporary manager may be required to pay a percentage of sales to the public property management in accordance with agreements negotiated between the department and the public property management.

71-4-504. Vending machines in lieu of on-site manager.

- (a) If, after conducting a survey, the department determines that there is not sufficient population to support an on-site manager but the public property management desires vending machine services, the department shall have the right to place vending machines on the property and to make the necessary arrangements to ensure that vending machine services are provided and that the vending machines are properly maintained.
- (b) The income generated from the vending machines placed under the provisions of this section shall accrue to the unassigned funds held by the department for its blind vendors.

71-4-505. Cafeterias.

- (a) The priority established by this part applies to cafeterias, as defined by the department, as limited by this section.
- (b) If a new cafeteria is to be constructed on a public property and/or any existing cafeteria contracts on public properties expire, the department shall receive notification pursuant to § 71-4-503 and shall be afforded the opportunity to submit a proposal for the operation of the proposed cafeteria. If the department's proposal, when considered with all other proposals, is found to be competitive in terms of quality of service, pricing of merchandise, and the rate of commission and/or the rental to be paid, then a priority shall be granted to the department and the cafeteria operation shall be awarded to the department. The department's proposal will not be considered competitive if its proposed payment of annual commissions and/or rental fees is not within two percent (2%) of that submitted by an organization which would otherwise be awarded the cafeteria operation. Nothing in this section shall be construed to allow the property management to take any action regarding an existing facility to defeat an already existing priority.
- (c) If the department's proposal is rejected and there is disagreement as to whether the department's proposal is competitive, the dispute shall be resolved in accordance with the provisions of § 71-4-507.

71-4-506. Effect of part.

Nothing in this part shall supersede any cooperative agreements which are in effect between the department and public property management on July 1, 1994, regarding the current operation of vending facilities on public properties, nor shall anything in this part preclude the department from entering into future agreements which may be less restrictive than the provisions of this part if, in the department's judgment, such agreements are in the best interest of the program.

71-4-507. Dispute resolution.

- (a) Except as stated in subsection (b), if a dispute arises between the management of public property and the department concerning any matter contained in this part, then either party may file a complaint setting forth the dispute with the secretary of state. Within ten (10) days of the filing of the complaint, the secretary of state shall appoint an administrative law judge from the administrative procedures division of the secretary of state's office who shall set an administrative hearing to be held under the provisions of the Uniform Administrative Procedure Act, compiled in title 4, chapter 5, part 3, within thirty (30) days of the appointment, unless for good cause shown a later time is deemed necessary. Notwithstanding other provisions of the law to the contrary, the secretary of state or the secretary of state's designee has the

authority to render a final order following entry of an initial order by the administrative law judge. Such order shall be appealable as provided by § 4-5-322.

- (b) The secretary of state shall be without jurisdiction to hear any complaint concerning the qualifications or status of a licensed or temporary manager who is operating under a license or agreement of the department, and shall be without jurisdiction to hear or establish any damage award for or against any person, any officer or employee of the state, or any public property's governing body or its officers or employees.*
- (c) The case may be heard and decided entirely upon stipulations and briefs of all parties without the presentation of oral or other written evidence, it being the intent of the general assembly to allow for an early resolution to the disputes arising under this part.*

71-4-508. Administrative review or evidentiary hearing.

- (a) The department has exclusive jurisdiction to provide an opportunity for an administrative review or evidentiary hearing to a blind individual under this part who is dissatisfied with any action arising from the operation or administration of the vending facility program.*
- (b) The aggrieved blind individual licensed by the department shall submit a written request to the director of services for the blind for an administrative review or a full evidentiary hearing pursuant to the rules and regulations promulgated by the department which shall be provided by the department to the blind individual. If the blind individual is dissatisfied with any action taken or decision rendered as a result of such hearing, that individual may file a complaint with the United States secretary of education for an arbitration hearing as provided by federal law and regulations.*
- (c) Nothing in this part shall be construed as a waiver of the state's sovereign immunity under the Eleventh Amendment of the Constitution of the United States or under the Constitution of Tennessee.*

71-4-509. Proceeds set aside for blind vendors.

- (a) After considering the recommendation from the committee of blind vendors, the department shall set aside or cause to be set aside a percentage of the net proceeds of the vending facilities in a reasonable amount not to exceed fifteen percent (15%) of their net income and pursuant to a schedule approved by the United States secretary of education. Such funds shall be expended on behalf of blind vendors only for purposes specified by regulations promulgated in accordance with the Randolph-Sheppard Act, 20 U.S.C. §§ 107-107f.*
- (b) All funds set aside pursuant to subsection (a) and funds in the account for unassigned funds established for the blind vendors program, and all other revenue, except funds appropriated by the state or matching federal funds, shall be invested by the state treasurer pursuant to § 9-4-603, for the benefit of those funds.*

- 30. Capital costs for emergency notification systems (e.g., reverse 9-1-1, etc.) used to perform broadcasts of public warnings issued by various government agencies. Emergency Communications Districts that are not financially distressed and have completed all necessary equipment upgrades and purchases for E-911 Phase I and II data retrieval may use their revenue for the purchase or enhancement of emergency notification systems. An ECD may also participate in federal grant programs to advance coverage of NOAA Weather Radio in unserved rural areas provided that any ECD funds used toward this effort are completely recovered through the grant.**

31. **Emergency Communications Districts may use their revenues toward the purchase of NOAA Weather Radios, weather radar, and other civil emergency and weather warning products for installation in a 911 call center to be used for alerting 911 personnel of impending dangers and warnings issued by various government agencies.**

PROHIBITED USES OF 911 REVENUE

The following items represent expenditures that are prohibited, regardless of the source of revenue or the budgetary resources of an Emergency Communications District. This list is not all inclusive.

1. **Capital costs or operational costs for emergency response equipment or emergency response personnel which respond after the 911 call is dispatched, transferred, or relayed [(as defined in T.C.A. § 7-86-103(10)).**

§ 7-86-103 (Definitions):

- (5) *“Direct dispatch method” means a 911 service in which a public service answering point, upon receipt of a telephone request for emergency services, provides for the dispatch of appropriate emergency service units and a decision as to the proper action to be taken.*
- (15) *“Transfer method” means a 911 service in which a public safety answering point, upon receipt of a telephone request for emergency services, directly transfers such request to an appropriate public safety agency or other provider of emergency services.*
- (11) *“Relay method” means a 911 service in which a public safety answering point, upon receipt of a telephone request for emergency services, notes the pertinent information from the caller and relays such information to the appropriate public safety agency or other agencies or other providers of emergency service for dispatch of an emergency unit.*

2. **Purchase or lease of emergency response vehicles, law enforcement vehicles, vehicles for public safety emergency services providers [(as defined in T.C.A. § 7-86-103(10)), other political subdivision vehicles, and any other vehicles not designated for exclusive use for or by an Emergency Communications District.**

T.C.A. § 7-86-103 (Definitions):

- (10) *“Public safety emergency services provider” means any municipality or county government that provides emergency services to the public. Such providers and/or services include, but are not limited to, emergency fire protection, law enforcement, police protection, emergency medical services, poison control, animal control, suicide prevention, and emergency rescue management.*

3. **Costs of purchasing, installation, and maintenance for public or private road signs, posts, or any other markers related to addressing.**
4. **Gifts and Flowers.**
5. **Entertainment expenses.**
6. **Civic Club Dues.**
7. **Cost of purchasing, installation, and maintenance of outdoor warning sirens.**



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